FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 115 16 June 1986

ARGENTINA

President Alfonsin Holds Press Conference B 1
  CGT Reply B 10
Labor Ministry Issues Communique on CGT Stoppage B 11
  Communist Party Hails Strike B 11

BOLIVIA

Garcia Meza Reportedly Implicates Paz in Dealings C 1
  Denies Paz Involvement C 1
Defense Minister on Protection of Supreme Court C 1
Barthelemy on Arce Gomez, COB Leaders' Summons C 2
Security Forces Raid College; Students Arrested C 2

BRAZIL

$1-Billion Arms Sale Deal With Libya Disclosed [FOLHA DE SAO PAULO 14 Jun] D 1
Exports Routed Through Leningrad to Persian Gulf [O GLOBO 12 Jun] D 1
Embraer Sells 30 Tucano Planes to Venezuela [O GLOBO 12 Jun] D 2

CHILE

New PS Secretary General Discusses Strategy [HOY 9-15 Jun] E 1
MDP Explains Position on National Stoppage [ANALISIS 10-16 Jun] E 2
Confech Secretary Announces Extended Strike E 3
Woman Wounded; 3 Demonstrators Arrested E 4

ECUADOR

Minister on Police Actions During Demonstration G 1

PARAGUAY

Minister on Possible U.S. Trade Restrictions [EL DIARIO 13 Jun] H 1
PRC Trade Delegation Ends 1-Week Visit [EL DIARIO 14 Jun] H 1
  Trade Talks Hailed [PATRIA 13 Jun] H 2
  Delegation Reportedly Expelled [LA TARDE 14 Jun] H 3
Radio Nanduti Reports End of Interference H 3
Paraguayan Communist Greets Liberation Movement [cross-reference] H 3

PERU

Bomb Blasts; Security Measures for SI Congress J 1
  Security Defended J 1
Army, Police Kill 4 Terrorists, Arrest 16 J 2

URUGUAY

Economy Minister Announces New Measures K 1
    [EL DIA 6 Jun]
Sanguinetti Discusses Dialogue, Amnesty K 4
Briefs: Record Drug Seizure K 5

MEXICO

Financial Negotiations Begin With IMF, Banks M 1
  Current Situation Discussed M 1
    [EXCELSIOR 11 Jun]
Trade With PRC To Reach $500 Million Per Year M 2
National Defense Secretary Denies Corruption M 2

PANAMA

Reaction to Charges Against Noriega Continues N 1
  Delvalle, UNADE Leaders Meet N 1
    [MATUTINO 13 Jun]
  U.S. Must Define Stance N 1
  PRD, PDC Legislators Comment N 2
    [LA ESTRELLA DE PANAMA 14 Jun]
  People's Party Rejects Charges N 3
    [MATUTINO 14 Jun]
  PAPO Leader on Charges [LA PRENSA 14 Jun] N 4
  Spadafora Reacts to Report [LA PRENSA 14 Jun] N 4
  Legislator Urges Probe [EXTRA 14 Jun] N 5
  CONATO Leader: Charges 'Lies' [LA PRENSA 14 Jun] N 6
Delvalle Confirms Support for Abadia N 6
    [MATUTINO 12 Jun]
Peru's Wagner Thanks Abadia for Hospitality N 7
    [LA ESTRELLA DE PANAMA 13 Jun]

CENTRAL AMERICA

COSTA RICA

Garron Notes Results of Visit to Taiwan P 1
Arias, Wife Unhurt in Traffic Accident P 1

EL SALVADOR

Duarte Comments on Preparations for Talks P 2
  Msgr Rivera on Dialogue P 2
Deputy for Cabanas Department Murdered P 3

GUATEMALA

Government Announces Plan To Combat Violence P 3
Guerrillas Loot Stores in San Francisco, Peten [PRENSA LIBRE 13 Jun] P 3
Escuintla PDC Leader Ramos Shot to Death P 4
FUN Official Shot, Wounded in Guatemala City P 4
GAM Refuses To Testify for Fear of Reprisals P 4
Cerezo Cancels Meetings Due to Illness P 5
Quinonez Confirms C.A. Vice Presidents Meeting P 5

HONDURAS

Government Rejects Contadora Peace Plan P 6
Armed Forces To Investigate U.S. Charges P 6
Gen Lopez Reyes Denies Charges by U.S. Officials P 7
    Issues Statement P 7
    Television Interview P 8

NICARAGUA

Further on Release of FRG Volunteer Workers P 10
    Wischnewski Issues Statement P 10
    UNO-FDN Communique [EL HERALDO 12 Jun] P 10
    Foreigners Warned [ACAN] P 12
Vice President Ramirez, Delegation Visit Algeria [cross-reference] P 12
Briefs: New Telecommunications Chief P 12

CUBA

Castro Speaks at Closing of Health Seminar Q 1
    Further Remarks Q 2
Castro Closes Pre-University Institute Seminar Q 3
Fidel Castro Opens Hospital's New Wings Q 4
Cane Harvest Losses Reported in Camaguey Q 4
Alarcon Criticizes U.S. Stance on Contadora [EFE] Q 5

PRESIDENT: ALSONSIN HOLDS PRESS CONFERENCE

PY120340 Buenos Aires Domestic Service in Spanish 2200 GMT 11 Jun 86

[Press conference by President Raul Alfonsin with unidentified reporters at the White Hall of Government House in Buenos Aires -- live]

[Excerpts] [Question] Mr President: Three weeks ago, when you visited the III Corps, an attack against your life was thwarted. We know that investigations are being conducted at military and federal court levels. But we would like to hear some political comments from you on two main aspects. First, do you believe that the attack sought to affect the country psychologically; and second, was the attack part of a conspiracy against democracy?

[Alfonsin] As you said, investigations are being conducted by the appropriate federal courts, while the military sector is trying to establish responsibility for the simple fact that a bomb planted and it went off. Regarding your specific question, I really think that the action only sought to create a psychological effect. This is a supposition. I do not think that the real intent of the attack was to cause casualties.

[Question] Mr President, I want to continue with the subject discussed by my colleague. When the so-called "Tejerazo" [Spanish coup attempt headed by Lt Col Antonio Tejero Medina] took place in Spain in 1981, the people took to the streets in defense of the incipient democracy at that moment. In this case, the attack in Cordoba, this did not happen in Argentina. What is your opinion in this regard? Perhaps a lack of confidence of the people, indifference, oppression, or perhaps socioeconomic problems?

[Alfonsin] No, by no means. I think that the citizens thought, as I did, that it was simply a psychological action.

[Question] Mr President, some comments have been made, and today a paid advertisement was published stating that some attacks against the political opposition could come from the Radical Civic Union [UCR] itself. What do you say about this?

[Alfonsin] It is obvious that we are face-to-face with a perverse activity linked to this type of psychological action. I read the paid advertisement this morning, and it is probably true. What it says is very true, regarding the bomb attack against Senator Saadi, as well as other rumors that circulated regarding bombs that exploded in the UCR committee offices. I think we are living through a period in which episodes like this are shaking public opinion, and we are still running the risk that these attacks could be repeated. And this happens because we are in a good position. I would say that democracy is becoming stronger, that the country is overcoming a serious crisis in all aspects, not just in the political problems. So, small groups, which had thought that it would be easy to subvert the institutional order, are taking desperate actions. It is being increasingly demonstrated that democracy is taking root in Argentina, and this not just due to good government. Democracy is being consolidated because the Argentine people want to live in democracy, because they know that the path to the future has been paved through the participation of all for freedom, for the possibility of overcoming stagnation, for the possibility of living the democratic coexistence in peace. This is the general desire of the people, and thus, these small groups are really trying to create a climate which by no means is real in Argentina, with the objective of trying to play the last card.

I really think we are living through an intense period, and in a very short time, we are going to demonstrate that democracy is already strong and triumphant in Argentina.

[Question] Mr President, in addition to what you have already said, I would like to know why those responsible for not only the recent incidents but also for all the incidents that have taken place since you took office have not been found yet.

[Alfonsin] This is a drama, a problem. It must be taken into account that I took office in December 1983, but this does not mean that democracy was established all of a sudden in all sectors.

As I have already stated, democracy is a struggle in which all Argentine citizens must participate during these difficult moments we are experiencing. I believe it is a struggle against those who, in the name of the past, try to distort our reality, to lead us to another similar situation. I don't think anybody could have believed that from one day to the next we would do away with the vices of authoritarism that sometimes still hinder government actions.

I am aware that this problem needs to be thoroughly analyzed by every Argentine political and social sector. It is absolutely necessary that we all become aware of the need to struggle, united against the old Argentina that still expresses itself through these types of attacks. It would be absolute suicide for the Argentine citizens to look upon acts of this nature as problems between the opposition and the government. This is a challenge that should concern, and does concern, every Argentine citizen, without exception, regardless of favoritism, regardless of political ideology. The objective is to bury violence and strengthen democracy for the future.

[Question] Mr President, I would like to know whether you, in your capacity as commander in chief of the Armed Forces, concur in the statements by Army Chief of Staff General Rios Erenu that the political circles and sectors of the media have been infiltrated?

[Alfonsin] The executive branch and I, particularly, as commander in chief, feel that we are accompanied and understood by the various chiefs of staff of the three armed forces. This does not mean we necessarily agree personally on everything that is stated. Nor does it mean that the president of the nation should make comments on what everyone says.

[Question] Mr President, I would like to know the government's position on whether to allow military commanders to make political statements.

[Alfonsin] The Argentine Government's position on this is well known. We are exercising democracy. The military men are also citizens and they must fulfill their responsibilities as such and abide by the military regulations.

[Question] Great expectations have arisen during the past few hours regarding the statements by General Flores, commander of the III Army Corps. I would like you to tell me, Mr President, whether garrison commanders are authorized to freely and publicly voice their opinions or whether they have to request the corresponding authorization from the chief of staff to do so.

[Alfonsin] As we have seen, the statements by the commander of the III Army Corps have been rectified. As is public knowledge, he is in charge of the investigation of the finding of a bomb in the military garrison.

It is hoped that it will be determined in the next few days, who was responsible for this incident. So far, I have no information whether precise instructions have been given, whether they should refrain from giving a general opinion. However, it will depend on the responsibility assumed, as I stated a while ago, on the criteria chosen to determine whether a military officer who voices an opinion should be sanctioned or not.

[Question] I would like to know the government's attitude regarding the General Confederation of Labor [CGT] stoppage scheduled for 13 June, and also whether the government will adopt any measures to halt this stoppage and whether there are any plans to declare it illegal?

[Alfonsin] A stoppage is scheduled to repudiate the Austral Plan on its first anniversary. The Austral Plan is an economic program drafted by patriotic Argentines. It is an economic program that has succeeded because of the efforts of the Argentine people, particularly because of the efforts of Argentine workers, and because of the efforts made by the poorest national sectors.

As you may remember, when the Austral Plan was implemented we were experiencing an average monthly inflation rate of more than 30 percent. If the inflation rate of the first half of 1985 had projected into the second half of the year, we would have had a yearly inflation rate totaling 1,705 percent. However, since the enforcement of the Austral Plan, the inflation rate totals 43.6 percent, which means that we have achieved a categorical and almost miraculous success. Although we cannot say that it is miraculous because, I reassert, it was achieved because of the efforts of the Argentine people during a period of hyperinflation that conspired against the development of Argentina, against investments and that particularly undermined the workers' purchasing power.

You are all well aware that economic adjustment programs are hard. You are aware that IMF formulas have usually led to an accute recession and produced significant decreases in real salaries. It has been shown that because of the implementation of the Austral Plan, the workers' purchasing power has increased by 7 percent from the first to the second half of the year. It has also been shown that in the last quarter of 1985, we experienced sustained growth in the industrial sector, and this is continuing and will continue throughout this Argentine economic process.

Therefore, unlike other parts of the world that have been forced to implement economic adjustment policies, we kept the burden from falling mainly on the shoulders of the working sectors. We avoided an extended recession, and we strived and were successful in curbing inflation. Economists throughout the world, from developed and developing countries alike, friends from Latin America and from other countries of the Southern Hemisphere, have come to Argentina to study our concepts. We are proud of having been able to implement this plan, which we have done without causing any social injustices beyond those that are well-known in this crisis that all Argentines are experiencing.

Therefore, in answer to your question, my opinion about the whole issue is that I am, I would say, filled with indignation. I am aware that there are social problems. I am aware that there are serious problems. I am, of course, aware of the fact that there are just salary claims. But everyone is also aware that it is not a question of issuing more currency. I know that no one is thinking of damaging the country, but we must stop adopting childish attitudes.

This is not the first time that something like this has taken place. I remember the plans for labor struggle that were carried out during the administration of President Illia [1963-1966]. I remember the labor activity carried out during the presidency of Isabel Peron [1973-1976]. But they will not lead us to make blunders or to adopt demagogic attitudes by casting a sort of veil over the present situation Argentina is experiencing and by making us believe that by decreasing nominal salary increases, we will be solving the problems affecting Argentine workers. If this were the case, it would be the simplest thing in the world. There would be no hunger in the world; there would be no poverty in the world. The present problems affecting Africa and Asia would be solved.

Everyone knows that we are confronting a crisis, and everyone knows that it is absolutely necessary that we must start talking seriously about it, because we are talking about real salary increases, about increase in purchasing power, about real salary increases, not about nominal salary increases. Therefore, on the one hand we have just salary claims but on the other hand we are willing to heed these claims, but in keeping with the economic framework. We are not willing to create the illusion of granting salary increases that 2 months later, like the salary increases that were issued in the last period of the Isabel Peron government, were absorbed by the same inflation that they produced and the worker's purchasing power decreased.

We must think seriously about these things that are affecting us. I think this is the proper time to define our positions based on the adoption of serious attitudes, and on serious studies. We are within the framework of a discussion, we are within the framework of the social and economic conference. This is where worker, government, and business representatives meet. We need this framework, which in the end will allow us to achieve a definitive solution.

We need investments to be able to sustain the increase we are experiencing in the nation's economic activity. I wonder what people say about us abroad. Of course, many eyes are on us. I do not believe that these kinds of stoppages are held in any other country in the world. This is the fifth or sixth stoppage that is being held during our administration. But to hold a stoppage because of the anniversary of the implementation of an economic plan under a democratic government that implements those programs which it promised to fulfill during the presidential elections, which were furthermore reasserted during partial legislative elections, is something completely unprecedented. Therefore, I believe that this whole thing is completely negative.

[Question] Are you going to declare the strike illegal?

[Alfonsin] No, sir, we are not going to declare it illegal.

[Question] Some labor union leaders have stated that the government abandoned the economic and social conference the moment it unilaterally implemented the Austral Plan. Moreover, despite what you have just stated regarding the success of the Austral Plan, the union leaders are dragging the country to a general stoppage. How does the government plan to counteract this general stoppage?

[Alfonsin] The Austral Plan was not linked to the economic and social conference, which has been meeting the past few days and which we hope will continue to meet. The doors are not closed. We are in dialogue and will continue to seek dialogue. But we are not going to bend a principle concerning the seriousness with which we Argentines should behave.

Therefore, we believe it is necessary to continue the economic and social conference and not break the dialogue. We particularly believe that there is an urgent need to normalize the workers organizations. This is necessary for Argentine democracy. We then expect to have an interlocutor who will analyze the questions with sufficient care. Thus, we will learn how we can work in a democracy to solve the various problems affecting the different sectors.

[Question] The reform of the national Constitution has already been anticipated in several provinces with reforms in their respective provincial constitutions. A trend can be noticed toward centralization. In this regard, what will the reform of the national Constitution contemplate?

[Alfonsin] I believe that one of the pillars of Argentina's modernization is its respect for the federal system, which should include not only respect for the provincial institutions but also for their economic and social peculiarities. An important answer to this is the intention to transfer the site of the federal capital, and next week I believe we will introduce a bill to this effect in Congress. As for the national Constitution, we will be looking into this, but nothing has yet been decided. The need is to do away with the possibility of authoritarianism and inflexibility in the face of political or social changes, such as the coups. This concern is fundamentally what is moving us to reform the national Constitution, but at the same time securing the federal system through various instruments.

[Question] About a year ago the executive branch sent Congress a bill on the protection of personal privacy. Now, regarding the reform of the Constitution, do you, Mr President, have a clear idea on the right of rejoinder? The bill I mentioned has not yet been debated in any of the two congressional bodies.

[Alfonsin] We will insist, Sir. We have a clear idea and we believe that a necessary complement to the unrestricted respect for freedom of the press is the people's right to privacy in the form the executive branch has submitted to Congress.

[Question] Allow me to read part of the electoral platform of the Radical Civic Union referring to the constitutional reform that is being talked about. It seems that only your reelection matters. It reads that in time the reform of the Constitution will be promoted in order to eliminate the state of siege and to establish, as an express constitutional guarantee, the rights of habeas corpus and court injunction. Mr President, I ask you this question because the first measure your government took was to declre a state of siege. Will the stage of siege be abrogated?

[Alfonsin] We do not believe that it is necessary to make an in-depth analysis of the powers the executive branch has kwhen Congress is in recess. Nevertheless, you know very well that this government cannot be accused, at least by anyone in his right mind, of having suppressed freedoms or of having followed a policy tending to suppress freedom of expression. We applied the state of siege in accordance with the due process of law, and did so precisely to defend the rights of all the people. Should I again find myself in similar circumstances, I would not hesitate to do it again, because my fundamental duty is to defend democracy for all Argentines.

[Question] Will the proposition in the UCR electoral platform to eliminate the state of siege be implemented?

[Alfonsin] There will have to be other institutional mechanisms to defend society. Your question cannot be answered positively nor negatively.

If you told me to eliminate the state of siege and to leave society unprotected, my answer would be: No, Sir, the state of siege cannot be eliminated. But if you told me that there should be another instrument that in an emergency would allow the executive branch to act with the approval of the judicial branch and Congress, my answer would be yes. And this was the thought when the Constitution was ratified. But we cannot leave society unprotected if at a time of internal disturbance we cannot apply a measure intended to protect it. I would say that there can be the possibility of declaring not only a poolitical emergency, but other guarantees implemented in a different way. This is what we proposed. We could also declare an economic emergency, which we would like to debate in public. At that time the UCR will clearly define its positions in a debate among all Argentines. And there are many people who are opposed not only to a given position, but to the reform itself. All these questions must be discussed by all Argentines. I believe that a formula to defend society must be found, because it is another pillar of the modernization of the state, which must be discussed by all Argentines.

[Question] [Words indistinct] Would you accept a new presidential nomination?

[Alfonsin] No sir. [passage indistinct]

[Question] A topic that obviously has to do with the Argentine situation is the foreign debt. If possible, I would like you to tell us how much Argentina has paid in principal and interest since you came to power? What is the current amount...

[Alfonsin, interrupting] No, sir, I will not answer your question. I did not bring any papers, and I do not have the figures in my head. I am the nation's president, not the economy minister.

[Question] If you would allow me, then I would like to ask you about how the foreign debt has evolved since you came to power and what direction your government will follow on this matter in the future?

[Alfonsin] The direction will remain the same. We have made great efforts to create an awareness about the political nature of our foreign debt. Through long efforts with other Latin American countries, we have managed to hold the so-called Cartagena meetings. I believe that we are succeeding in our effort to raise the awareness of the needs of Latin America. We are paying less interest than originally contracted. We have held separate renegotiations to pay the interest, which totals about $2,5 billion per year. We are paying less than we should have. This is the policy we will follow, depending on the country's poossibilities. The creditor countries are following a contradictory policy that limits our export possibilities because of their protectionist measures. But the creditor countries still want us to pay the interest on their credits. We also believe that we must continue to try to penetrate foregin markets. As for the Paris Club, we have already worked out our problems with almost all its member-countries. We still have to do so with the Netherlands, with which we have problems over (Codasco), and with Israel. These are the only two countries with which we still have to reach agreements. We are expecting the IMF to disburse the last installment of the loan it extended to us, and we do not expect any difficulties.

We will continue to work so that our creditors understand that Argentina will try to meet its obligations, without hampering its development, which is the guarantee that it will pay its debts.

[Question] Mr President, you are preparing for a trip to the Far East. We understand that by mid-July you will travel to Japan. Does this mean that Argentina is going to look for Japanese investments in the future?

[Alfonsin] We want to strengthen our relations with Japan in areas. In the field of investments... we are interested in increasing trade, studying, credits, the different possibilities for the transfer of technology, and all this will come by strengthening relations with Japan. This is what we will try to obtain. This is very important for us, not only because of what Japan represents, but also because of what Southeast Asia represents.

[Question] Mr President, I would like to ask you about a case linked to some government interests: the Sivak case. I would like you to explain if some of the consequences of this case, such as the Congress' questioning of the interior minister and the resignation of Defense Minister German Lopez, have harmed the image of your administration. That was my first question. I would also like to ask if you have received Sivak's relatives, as you said you would about 3 weeks ago?

[Alfonsin] Regarding your first question about the deterioration of the image of my administration, I would say that any criminal action that remains unsolved should harm the image of any government. However, I believe that we must make some special considerations regarding this case.

I believe that our democracy allows these discussions to be known by the public. I think that this is a not only convenient, but also positive and necessary. However, as I said at the beginning of this press conference, as long as problem is not turned into a matter of opposition or officialism. We must struggle together to try to solve this sort of problem, which is far more difficult than what people think, because there is nothing harder than trying to probe into the intelligence services, right?

Then, what we want, that is, what we wish, is to put all our best efforts in trying to solve all problems. However, there are always difficulties. Regarding my meeting with his relatives, it has still not taken place.

[Question] Mr President, about the Sivak case, how long will...

[Alfonsin, interrupting] I cannot hear you.

[Question] Again regarding the Sivak case, how much longer will the disorganization of the intelligence services last, and when will a central intelligence service be (?created)?

[Alfonsin] You have called it disorganization, and I believe that you are not totally wrong in your description, because the whole thing really needs to be organized. The central intelligence service will be modified. I believe that in about a month we will have a new structure in the central intelligence service.

[Question] Mr President, about this subject, Deputy Juan Carlos Pugliese, president of the Chamber of Deputies, this morning said he favors creating a new ministry that would be called the security ministry.

It could include the central intelligence service, the federal police, and the prefecture and the border police organizations. This would leave the Interior Ministry with a solely political character. In your opinion, is this reorganization possible?

[Alfonsin] We would first have to modify the Constitution.

[Question] Mr President, in your speech on 1 May you admitted that the government has made mistakes. The idea that the government has made mistakes was reiterated during the congressional questioning of Interior Minister Troccoli. I would like to ask a concrete question: Do you believe that the government has made mistakes on matters of security?

[Alfonsin] Yes. I believe that no government in the world, whether national, provincial or municipal, can be free of mistakes on security matters. If mistakes were not made, then everything would be fine, everything would be clear and solved. Therefore, in answer to your question, I have to say that mistakes have probably been made. I am only answering in general terms a question made in very general terms.

[Question] Mr President, regarding the security issue, you have pointed out the need that both the government party and the opposition work together in the delicate issue of the security services. My question refers to a comment that questions how it was possible for the government party to stop the questioning of the interior minister on a motion by a congressman, thus ending the investigation being conducted by Congress. In addition to that, there is a group of opposition senators who also want to question not only the interior minister but also the defense minister on this issue I would like to ask, was the decision to stop the questioning in the Chamber of Deputies made to protect the future of the interior minister? Is what the president of the renewal sector of Peronism, Mr Manzano, said true? Is the interior minister about to resign, and is he going to be replaced by the under secretary of the interior?

[Alfonsin] I am very surprised by the first question from a veteran congressional journalist who has seen many congressional questioning sessions. First of all, you know that the questions were asked because we wanted them asked, because we have the majority in the Chamber of Deputies. The government has nothing to hide. The government brought a problem upon itself because we wanted to speed up the process, and as everyone knows this bothered Mr Lopez [former Defense Minister German Lopez]. The government wanted the questioning. The deputies of the majority party voted for it.

You know that congressional questionings generally end the same day or the following day at the latest. In this case the questioning lasted 20 days, 3 weeks. There was nothing else to ask. If you read the congressional records, you should have realized that the same questions were being asked over and over and that the only thing that was being created was an unfavorable atmosphere, and nothing else. Therefore, this is the reason why the questioning was stopped, as is done in any congress in the world where the opposition wants to go on because in some way it creates problems for the executive branch, but this is within the rules of democracy.

The government has shown that it has nothing to hide, nothing shameful to hide in Argentina. If there was really something shameful to hide, I would have gone to Plaza de Mayo to shoot myself by the pyramid, because the atmosphere that was created was really incomprehensible.

That is the only reason the questioning was stopped. All the blocs had all the time they needed for questioning. Therefore, this case is very clear. We were the ones who facilitated the debate.

Regarding your second question, Troccoli has my complete trust and will continue as interior minister.

[Question] Mr President, the Defense Ministry, on your orders, gave instructions to the prosecutor of the Armed Forces Supreme Council to speed up the pending judicial process against Armed Forces personnel. This is going to be an important issue during the questioning of the defense minister to be conducted in Congress in a week. There has been harsh criticism of the Defense Ministry. Some sectors have said that this is a deceptive full-stop device. What is your opinion of this issue?

[Alfonsin] I believe that the activity conducted by the Argentine Government in this field is unprecedented, not only in Argentina but also in the world. Whether this is a full stop or not, I believe that we have given enough proof in this and other areas that the executive branch, the government in general, does not resort to deceptive devices to hide its real objective. The idea here was to speed up a process that needed acceleration because only by speeding up the process could we move ahead fast. This was necessary, not only for the defendants who could not be held without a sentence too long but also healthy for democracy and the country as a whole, and it does not interfere with judicial decisions whatsoever. In other words, the judicial branch remains independent and can make its own decisions.

We only wanted to speed up the process. It does not contradict Point 30 of the sentence given by the Federal Appellate Court or sentences that have already been made. Obviously, when we talk about sentences we are referring to aspects related to real sentences made in the trial of the former junta members and not those who have not yet been sentenced. It also does not include the attrocities committed. Therefore, the position of the executive branch is clear in this regard.

[Question] Regarding the Defense Ministry issue, I would like to ask your opinion on the resignation of German Lopez.

[Alfonsin] I regretted his resignation very much. You know very well that he is a great friend. As he said, he was very much annoyed when he was taken to Congress for questioning without prior notification. I really regretted that situation, but he remains my friend.

[Question] If my colleagues allow me, I would like to change the subject. Sir, could you tell us what benefit Argentina has obtained from its nonalignment with either of the two socioeconomic systems that lead the world?

[Alfonsin] Which of the two would be your option?

[Question] I will not tell you...You are the government and may have...

[Alfonsin, interrupting] I believe that we are in the right position, the historical Argentine position of trying to maintain mature relations with both the Soviet Union and the United States. This position seems to be of great help to our country.

We have common interests with the United States, and we also have different and even opposite interests sometimes. But we do not want to follow any extreme trend. Some openly want us to align ourselves as part of an empire, and others want us to oppose U.S. policy. Well, this is not the position of the Argentine Government. We are in the Nonaligned Movement for other reasons. As I have made clear in lectures I have given, we are part of the Western culture: We defend democracy and freedom. But we do not accept colonialist positions, confrontations that involve other sectors in the South. There is not only the East-West problem. There is also a North-South problem, and the defense of the interests of the South in conjunction with other Latin American nations. A fundamental tenet of our foreign policy is that the Latin American nations should be integrated so that solutions can be found to economic agressions from the most developed countries. Well, I believe that our independent position is benefical for us. This is the best answer I can give to your question as to what benefits we obtain from nonalignment. I believe that we must be independent to grow and develop. Being independent means not being aligned with either of the two major powers.

[Question] This past weekend the Contadora Group and the Contadora Support Group met in Panama, and they presented the latest of the Central American peace act. Despite the cautious optimism of both groups, I would like to know which conditions in Argentina's view are necessary for this act to be implemented, and what could Argentina do so that this peace effort will not fail, considering that this is the lastest proposal to attain a negotiated peace?

[Alfonsin] I believe that, as you said, cautiously optimistic about the development of the Contadora talks, and particularly regarding the most recent meeting in Panama, that the problem lies in the question of reciprocal guarantees among all parties, that is, the five Central American countries and the United States, of course -- on the one hand, guarantees that subversion will not be fomented in neighboring countries and, on the other, guarantees that subervision will not be promoted in Nicaragua. This fundamental, that such guarantees can in fact be offered. I believe that this is the core of the question, and certainly it will keep the Contadora Group busy in the coming months. Of course, the economic and social aspects, which are rather fundamental in the region, must not be forgotten.

CGT Reply

PY122240 Buenos Aires Domestic Service in Spanish 1600 GMT 12 Jun 86

[Report from the General Confederation of Labor headquarters by reporter Pedro Guggiari Baez]

[Text] The press conference called by the General Confederation of Labor [CGT] began after a 2-hour relay. It was held on the third floor of the CGT building, in the library where the CGT council normally meets. This press conference was a reply to yesterday's presidential press conference held in Government House yesterday.

In a 2-page document, CGT leader Ubaldini explained the labor organization's position on tomorrow's strike and on the Austral Plan, of course.

In part of his message, Ubaldini said tha the CGT is going on strike to consoliate democracy [as heard]. He also criticized the Austral Plan, saying that it was drawn up by the IMF. The CGT, therefore, requests the president directly intervene to change the economic policy guidelines.

[Begin Ubaldini recording] Tomorrow we will paralyze the whole country. A great silence will be the response to so much insensitivity and misery. Let these 24 hours of strike, without television, depriving the government of a means to emit its rhetoric, serve to make it reflect on its responsibilities rather than blaming others.

History never withdraws or waits. Time does not pass in vain. It is either success failure. We pray to the almighty Lord that during the next 24 hours the government will finally face reality and vigorously react against misery, dependence and injustice. [end recording]

This was the end of Ubaldini's documet, which made a general evaluation of the sociopolitical situation and harshly criticized the Radical administration.

LABOR MINISTRY ISSUES COMMUNIQUE ON CGT STOPPAGE

PY140310 Buenos Aires TELAM in Spanish 2349 GMT 13 Jun 86

[Text] Buenos Aires, 13 Jun (TELAM) -- In view of the general stoppage organized by the General Labor Confederation (CGT), the Argentine Government this afternoon made an appeal to the workers to reflect and calmly realize that the current difficulties can only be overcome through dialogue and the joint effort of the labor and production sectors. This is expressed in a communique issued at Government House by the Labor and Social Security Ministry which states that the measure of force was observed to a larger degree by the industrial sector and to a lesser degree by public services and commercial sectors. The communique was released at the end of a meeting held at Government House by Interior Minister Antonio Troccoli, Interior Under Secretary Francisco Mugnolo, and Labor Secretary Roberto Bigatti during which they analyzed the development and scope of the stoppage.

The following is the text of the communique: The sixth general stoppage organized by the CGT since the constitutional government assumed power was held today. Despite some incidents against the public transport, aimed at thwarting the freedom to work, the sixth stoppage was held with the characteristics of previous similar measures, during which it was noted that the measure was observed to a larger degree by the industrial sector and to a lesser degree by the public services and commercial sectors. Once again the Labor and Social Security Ministry makes an appeal to the workers to reflect and to calmly realize that the current difficulties can only be overcome through dialogue and the joint effort of the labor and production sectors.

Communist Party Hails Strike

PY150148 Buenos Aires DYN in Spanish 2143 GMT 13 Jun 86

[Text] Buenos Aires, 13 Jun (DYN) -- Athos Fava, secretary general of the Argentine Communist Party today said that the strike which the CGT staged was an "impressive repudiation of the Austral Plan," and "an example of the combative spirit and discipline of the workers."

In a Communist Party communique fava indicted that "this combative spirit has not been undermined by psychological compaigns aimed at proving that the struggles for just economic and social demands seek to destabilize the government." Fava concluded by stating that "the coupist ultraright is still operating unhindered within the intelligence community and the upper military echelons with government approval," adding that the government "prefers to continue paying the interests on the foreign debt at the expense of large popular sectors who suffer from hunger and malnutrition."

GARCIA MEZA REPORTEDLY IMPLICATES PAZ IN DEALINGS

PY131446 Madrid EFE in Spanish 2207 GMT 12 Jun 86

[Text] Sucre, 12 Jun (EFE) -- The Bolivian Supreme Court has finished questioning former President Luis Garcia Meza, the principal defendant in the misconduct trial against the de facto regime which ousted Lidia Guilier Tejada's constitutional government in 1980.

The prosecutor has asked the court to detain General Garcia Meza, while the defense counsel has stated that the questioning shows that there is insufficient evidence to proceed.

Garcia Meza's final comment last night scandalized Bolivia. He said that President Victor Paz Estenssoro had cooperated with his de facto regime. Asked about a $50-million farm machinery importation deal which proved unsuitable for the country, Gen Garcia Meza said: "President Paz Estenssoro advised me on agrarian matters."

The court questioned Garcia Meza on eight counts which Congress has filed against him. They include armed rebellion, murder of political and labor union leaders, economic crimes against the state, and violations of human freedoms and rights.

Denies Paz Involvement

PY141758 La Paz La Red Panamericana in Spanish 1230 GMT 14 Jun 86

[Text] In statements to the media in Sucre, the national capital, former General Luis Garcia Meza told the national press: "As president of the government for the national reconstruction of the Armed Forces, I did not contact Dr Paz Estenssoro personally at any time."

He explained that his government purchased farm machinery and raw materials through a contract with the Argentine enterprise Puerto Norte, aiming only at strengthening agrarian reform, which was promoted by Dr Victor Paz Estenssoro, "whose ideas inspired me to carry out this operation," he added that all measures adopted during the government for the national reconstruction of the Armed Forces are his responsibility, and reiterated that, during his government, he did not contact current President Paz Estenssoro personally.

Former President Luis Garcia Meza concluded by saying that President Paz Estenssoro deserves our greatest respect for his work in favor of the Bolivian peasants during the 1950's

DEFENSE MINISTER ON PROTECTION OF SUPREME COURT

PY140359 La Paz La Red Panamericana in spanish 1700 GMT 13 Jun 86

[Text] Defense Minister Luis Fernando Valle said in Government House a few minutes ago that after holding a meeting, the Armed Forces commander in chief, Armed Forces commanders, and his ministry arrived at the conclusion that there are no irregular groups acting in the Chapare region.

As is known, there have been some such reports out of Cochabamba recently. In conclusion, and after recalling the M-19 guerrilla occupation of the Palace of Justice in Bogota, Colombia, he said that some new measurers have been adopted.

[Begin recording] This is a response to a request made by the Supreme Court. One must not forget what happened in Latin America when the installations of a supreme court of justice were the unfortunate object of an attack. Therefore, the Supreme Court has requested military police protection. This protection will be withdrawn only upon a Supreme Court request. The Armed Forces will not make distinctions among individuals. Any person who testifies at the Supreme Court will receive protection as long as the Supreme Court deems it necessary. [end recording]

These were the statements be Defense Minister Fernando Valle, who added that the Armed Forces are acting within a constitutional framework which they will not transgress.

BARTHELEMY ON ARCE GOMEZ, COB LEADERS' SUMMONS

PY131558 La Paz La Red Panamericana in Spanish 1130 GMT 13 Jun 86

[Excerpts] Interior, Migration, and Justice Minister Fernando Barthelemy has said that so far neither Luis Arce Gomez [interior minister during Garica Meza's administration] nor his representatives have requested special guarantees to remain in the country. He said that he had not received any news of the former minister's stay in the country, but he explained that everyone involved in Garcia Meza's trial has the same legal right to protection by the authorities.

Minister Barthelemy said that Bolivian Labor Confederation [COB] leaders and other labor union leaders who urged people to disobey the new tax reform law have received notices summoning them to the ministry. If they do not appear, arrest warrants will be issued against them.

[Begin recording] The law is very clear. If a person is summoned for questioning on charges against him and he refuses to appear, the law will be applied and an arrest warrant issued to force him to appear. In this case some labor union leaders have been summoned by the ministry for having committed the crime of urging the population to oppose and not comply with the laws of the republic. [end recording]

SECURITY FORCES RAID COLLEGE; STUDENTS ARRESTED

PA140348 Paris AFP in Spanish 1445 GMT 13 Jun 86

[Text] La Paz, 13 Jun (AFP) -- Sacred Heart College director, Father Enrique Oizumi, today denounced in Sucre that the Sacred Heart College of Sucre (the historic Bolivian capital), which is run by Jesuit priests, has been violently raided by state security forces. In statements to the press, Oizumi stated that the raid was conducted against the college's library, where dozens of youths were studying. Oizumi explained that the police agents started punching and kicking the students and then arrested them, transporting them in trucks. Oizumi stated that there is no justification whatsoever for the government's behavior and that the necessary explanations will be demanded from the authorities.

In this regard, it was recalled that the trial of former de facto President General Luis Garcia Meza is taking place in Sucre. Garcia Meza is being tried by the Supreme Court of Justice on charges of murder, human rights violations, and embezzlement of public funds.

$1-BILLION ARMS SALES DEAL WITH LIBYA DISCLOSED

PY150125 Sao Paulo FOHLA DE SAO PAULO in Portuguese 14 Jun 86 p 5

[Text] Vale do Paraiba -- Late last month Brazil signed a $1 billin contract with Libya covering the sale of military equipment manufactured by Brazilian companies. Libya has puchased several EE-9 Cascavel armored cars, EE-11 Urutu armored personnel carriers, EE-3 Jararaca scout cars, which are manufactured by the Specialized Engineers Inc. [Engesa]; and Astros-2 multiple rocket launchers equipped with SS-40 and SS-70 rockets, which are manufactured by the Brazilian Aerospace Industry [Avibras]. These two companies are located in Sao Jose dos Campos, 97 km northeast of Sao Paulo.

Negotiations for this sale date back to last December when Libyan Ambassador Farage al-Seiti held secret talks with Brazilian Foreign Ministry officials. At that time it was decided that a Libyan military mission would come to Brazil in February this year to inspect the Brazilian weapons. This visit was later canceled as a result of the Libyan-U.S. conflcit.

The contract includes the marketing of manufactured Brazilian products and technological assistance for the installation of steel, petrochemical, food, textile, electronic, and light weapon industries (manufactured by the Ordnance Industry).

Itamaraty officials and businessmen from the arms manufacturing industry led by Engesa President Jose Luis Whitaker Ribeiro -- a personal friend of Colonel Mu'ammar al-Qadhdhafi of Libya -- have been to Tripoli to put the final touches on the contract.

It is still not known whether these arms will be shipped directly to Tripoli, or whether they will be sent through anoher country: They could be unloaded in Spain, Mauritania, or even Algeria, and then forwarded to Libya.

On 13 January, FOLHA carried an exclusive report about the signing of this contract. The report, however, was denied by Itamaraty and by reporter Roberto Godoy of the newspaper O ESTADO DE SAO PAULO.

EXPORTS ROUTED THROUGH LENINGRAD TO PERSIAN GULF

PY131819 Rio de Janeiro O GLOBO in Portuguese 12 Jun 86 p 20

[Text] Santos, Sao Paulo -- Brazilian shipments for ports on the Persian Gulf, a high-risk zone, are increasingly being routed through the Soviet port of Leningrad. There they are loaded on trucks for the trip to their final destination. This is being done mainly with shipments to Tehran, Iran, and Kabul, Afghanistan.

This triangular route, known as the "red connection" in Santos transportation circles, is made possible by the Soviet Baltic Shipping Company. This company is offering the service twice a month from the port of Santos. The route the Soviet vessels take includes other South American ports, then Antwerp (Belgium), Hamburg and Bremen (FRG), and, finally, Leningrad.

This service offers security and reliability on delivery dates for export cargoes to an area of frequent military confrontations. Thanks to the guarantee of overland transport through the Soviet Union, this route is preferred by many importers who want their purchases to arrive safely.

The general feeling is that as the crisis continues -- relief of tensions in the area is considered unlikely in the short term -- the so-called draw-back operations might significantly increase in coming months. The draw-back operation consists of the re-export of products bought from third countires and locally manipulated to make them appear as Brazilian finished products, for instance, by changing their packing. This method may increase, although indirectly, Brazilian sales to countries such as Iran, Libya, Syria, and the United Arab Emirates.

This past midweek the vessel Nadezta Krupskaya from the Baltic Shipping Company left Santos loaded with 2,000 tons of instant coffee, paper, cellulose, and machinery. Most of this cargo was destined for Iran and Afghanistan, through the "red connection." On 24 June, the ship Nikolay Tulpin will repeat the operation.

The Cory Irmaous Agency, which represents the Baltic Shipping Company in Santos, will not reveal the percentage of cargo that is using this triangular route. It has reported, however, a considerble increase in requests for information on the "red connection" in recent months. Officials from the Foreign Trade Department of the Bank of Brazil (CACEX) estimate that 37 percent of the shipments headed for the Soviet Union have other final destinations.

This shipping alternative may soon call for an increase in the number of vessels plying this route. This, according to the representatives of the Soviet shipping company, will not only offer a guarantee for Brazilian shipments to the areas in conflict but also the means with which to expand commercial relations with the Soviet Union.

EMBRAER SELLS 30 TUCANO PLANES TO VENEZUELA

PY131940 Rio de Janeiro O GLOBO in Portuguese 12 Jun 86 p 22

[Text] Sao Jose dos Campos -- At a brief ceremony to be held this morning, the Brazilian Aeronautics Company will begin delivering the 30 Tucano military training planes purchased by the Venezuelan Air Force at the beginning of the year. Venezuela, the sixth country to buy this model, will be represented at the ceremony by Air Force General Justo Evaristo Saavedra, and the deliveries will be completed by the end of next year. This $36-million (498.2 million cruzado) contract, was among the slowest to be signed, because negotiations lasted more than 2 years. The Venezuelan opposition strongly opposed it in Congress but, once again the Tucano beat the Swiss Pilatus PC-9, its strongest rival on the international market.

With this contract, Embraer has sold more than 400 Tucano planes, and is now in the final stage of negotiations with Argentina, Jordan, Parana [as published], Peru, among other countries with which it expects to sign contracts for the sale of more than 250 planes. This week, Embraer completed delivery of 12 Tucano planes bought by the Honduran Air Force. The first eight planes were delivered last year in an operation which the Embraer tried to keep secret because there were strong indications that the planes would be used in antiguerrilla operations. The last four planes flew to Honduras on 9 June.

NEW PS SECRETARY GENERAL DISCUSSES STRATEGY

PY141448 Santiago HOY in Spanish 9-15 Jun 86 p 9

[Interview with Secretary General of the Chilean Socialist Party Ricardo Nunez Munoz by HOY reporter Alejandro Guillier; date and place not given]

[Text] [Guillier] How do you explain the unusual consensus by which you were elected Socialist Party [PS] secretary general? [Ricardo Nunez was elected unanimously]

[Nunez] We came to realize the sad history of the PS and we socialists do not want any further splits. There is also a change of political style. We have learned that disagreements make us wiser and do not affect the common course of action. Furthermore, agreements within the party on the main objectives and strategies have been strengthened.

[Guillier] Will the fact that you are the secretary general now change the PS political proposal for the attainment of democracy?

[Nunez] The majority of the people in the nation want changes that can bring about justice, freedom and democracy. Thus, we are proposing the creation of a bloc in favor of these changes in order to make a future democracy manageable. We call on parties and social organizations for a broad agreement. I have in mind the left, the center and even the progressive right. This democratic bloc should seek the democratic changes that Chile wants. Undoubtedly this means overcoming the habit of turning our backs on the centrists when they are in power, or plotting against the left. The idea is to undertake a commitment to support all the essential changes that the country needs, regardless of the sector in power.

[Guillier] Some sectors of the Democratic ALliance [AD] want a program of government. Is this compatible with the thesis that advocates a coalition in favor of changes?

[Nunez] The important thing for the political parties is to agree on the ways and means to attain democracy, make it stable and place it at the service of the large sectors. This agreement to keep the process of democratization under control must come before any electoral pacts. To set up a government made up only of members of the AD would amount to plunging the country into anarchy, in which no effective control could be assured. We insist that a transition to democracy calls for a national unity government in which every democratic sector would have its rights protected.

[Guillier] The leaders of the National Party believe that the National Accord for the Transition to Full Democracy is the basis for a unity government. Do you agree with them?

[Nunez] The National Accord includes sectors ranging from the left to the right and it does offer some prospects for a broad agreement. If the MDP [Popular Democratic Movement] and the Communist Party [PCCh] can show that they are willing to respect the essence of this accord, the situation of the country and the whole meaning of the social mobilization would change. There would be a glimmer of a manageable democracy, and that is why we are part of the National Accord. We believe that the Accord can supply a formula for a transition to democracy.

[Guillier] What are the tasks that must be carried out to make transition to democracy possible?

[Nunez] The struggle against the dictatorship comes first. No transition is possible if the people do not express themselves and Pinochet will not let them. Therefore the people have the right to rebel. We must creatively develop civil disobedience. The PS will support with reservations the Civic Assembly and the national strike slated for 2 and 3 July. The other task is the attainment of the broadest possible unity among the opposition. We must seek an understanding with the centrists and the progressive right as well as with other leftist groups. The MDP and the PC are part of the people even though their militaristic policy is actually playing into Pinochet's hands. The agreements we seek, however, must be capable of guaranteeing a peaceful transition to democracy.

[Guillier] Has any mechanism been developed?

[Nunez] We believe that there is the glimmer of a formula in the National Accord, but it must be improved through a pact for social justice in order to commit progressive forces to making changes to guarantee a workable democracy. Socialist unity comes next. Marxists, laymen, and Christians must contribute to the socialist culture, which will be vital in the future. This pluralist, free, and democratic culture must be capable of reaching an understanding with other groups that propose changes because alone they will be unable to prevail.

[Guillier] What is the PS strategy regarding the Armed Forces?

[Nunez] National unity includes the Armed Forces, but they must be convinced that they can no longer be gendarmes of their own people. If we can attain broad agreements we will show that our proposals are serious and the social mobilization will make the nation's desire for democracy quite clear. However, just as we reject the militaristic approach to politics, we also reject any negotiations that do not seek a swift and full democratization.

MDP EXPLAINS POSITION ON NATIONAL STOPPAGE

PY131716 Santiago ANALISIS in Spanish 10-16 Jun 86 p 15

["The MPD Proposal" by Rafael Maroto]

[Text] The daily events that Chileans are witnessing demonstrate that 1986 will be a very decisive year for the fatherland. The political proposal offered by the MDP [Popular Democratic Movement] and the call for a national stoppage on 2-3 July made by many social organizations should be considered from the perspective that this is indeed a decisive year.

The first point in our proposal demands the resignation of Pinochet, because there is no possibility for a transition to democracy while the current regime remains in power. Once the dictatorship has ended, we propose the creation of an emergency government to represent all the forces that are participating in the antidictatorial struggle, led by a democrat who would inspire confidence and draw the support of all Chileans. In addition to meeting the most pressing economic and social needs and fulfilling the demands for justice and human rights, this emergency government's main task will be to create in 6 months the conditions for the democratization of the country and its institutions, so that popular sovereignty can be fully exercised.

It is without doubt a proposal that reflects the MOP's generous effort to resolve the drama of Chile and to spare our people from greater suffering. The proposal calls for a basic political agreement that will make it possible to concentrate all efforts on a common objective: an end to the dictatorship as soon as possible.

Obviously, the demand for Pinochet's resignation alone will not inspire him to make a generous gesture. To think that Pinochet would make such a gesture would be more than naive. The number one priority, then, should be to put above anything else, through the broadcast political agreement, the aspiration for which the majority of Chileans are willing to struggle: The end of the regime. This common objective will highly motivate the popular forces, will stimulate their creativity, and will unleash an unstoppable uprising for freedom and democracy in Chile.

As we have said before, the level that this confrontation will reach, aiming to recover Chile's dignity, will depend on the level of the tyrant's resistence to relinquishing power. We are certain that the greater the unity and the political agreement of the opposition, the faster and less costly our victory will be. This is why, without surrendering our socalist and revolutionary convictions and sure that only an outcome broadly supported by the people will ensure a stable democracy after the dictatorship ends, we would like our proposal to be accepted and converted into an energizing force for the democratic struggle.

This is why we see a stoppage scheduled for 2-3 July. The Civic Assembly, through its document Chile Demands, expresses the aspiration and the needs of broad popular sectors. The national stoppage could successfully contribute to the implementation of the Chile Demands document. The political agreement proposed by the MOP, which is trying to set a common path for the transition from dictatorship to democracy, extends a call to the most varied and broadest social sectors to participate in the national stoppage. From this perspective, actively participating in the struggle now taking place, we should organize a successful national stoppage to deliver a hard blow to the dictatorship and to open a clear road to victory.

CONFECH SECRETARY ANNOUNCES EXTENDED STRIKE

PY132320 Madrid EFE in Spanish 1407 GMT 13 Jun 86

[By Luis S. Saavedra]

[Text] Santiago, 13 Jun (EFE) -- The Secretary General of The Chilean University Students Confederation (Confech), Humberto Burotto, confirmed today that a national student strike will begin on 16 June. Confech is a group of student organizations from the 17 most important Chilean universities. Burotto, who is the president of the influencial University of Chile Student Federation, is now the secretary general of Confech. Burotto explained that the strike, which begins on Monday, will end when "the strike called by the National Civic Assembly (ANC) begins." The ANC, which is made up of the 18 most important social organizations in opposition to the regime of General Augusto Pinchet, had called for a strike on 2-3 July.

Initially, the students' strike was to end on 3 July, but Burotto said that "that date can change if the ANC so decides or if events should make a change advisable." Burotto explained that the "extended national strike" by the students is primarily intended to pressure the government to allow "the universities themselves to appoint their academic heads." Since the beginning of the year, Chilean university students have been periodically demanding the end to the system of government-appointed rectors which has been in effect since the military regime came to power. Under the current system, the university rectors are appointed by the chief of state, who is also the "patron" of the University of Chile -- the country's most important university - by statutory provisions.

Burotto told EFE that, in this stage that is called transition, the student struggle is intended to support a proposal for university self-government that we have made, a proposal that did not even raise the question of student participation. Burotto said that the proposal can be summed up by the phrase "an end to the system of government-appointed reactors will not mean chaos."

Among the activities that will take place during the "extended strike," Burotto emphasized the campaign of solidarity with the slum dwellers in the wake of the massive police searches. It will be a campaign to collect nonperishable food, medicines, and construction materials, and is scheduled for 21-22 June. The truckers and taxicab unions will participate in this public campaign. At an earlier date, not yet specified, the students intend to occupy all university premises for one hour. At noon on 19 June, they plan to hold a massive rally near one of the university buildings in downtown Santiago.

The university leader expressed the youths' hope in the ANC, which, he said, is "the first national organizatin of dissidents which shows that the students are not alone in this struggle." Burotto also said that the university problems should be solved as soon as possible, because "we are running against time and the present student leadership has shown that it is reasonable." If our demands are not heard, Buroto finally said, no one can be surprised if in the future, the new university leaders should adopt positions that are different from the peaceful position of the current university leaders."

WOMAN WOUNDED; # DEMONSTRATORS ARRESTED

PY140025 Paris AFP in Spanish 2245 GMT 13 Jun 86

[Text] Santiago, 13 Jun (AFP) -- Police sources have reported that a young woman received a bullet wound and at least three demonstrators were arrested today in Santiago during the 4th day of disturbances which were repressed by the police. The demonstrations took place in different areas of Santiago with the participation of high school and university students who reject the decision made by the government of General Augusto Pinochet to transfer state schools to muncipalities. Witnesses reported that Guadalupe Chamorro, 19 years of age, was shot in the head during clashes near Villa Espana, north of Santiago.

Carbineros used water cannons and tear gas against the students who set up barricades on Irrazabal Avenuen, in the southern sector of Santiago. Carabineros used the same method to disperse about 50 women who gathered in front of the La Moneda presidential palace demanding that officials explain the whereabouts of their missing and arrested relatives. According to reporters in the area, three demonstrators were arrested while drivers riding on Bernardo O'Higgins Avenue blew their horns as a sign of condemnation of the police action.

MINISTER ON POLICE ACTIONS DURING DEMONSTRATION

PA131541 Quito Radio Quito in Spanish 2350 GMT 12 Jun 86

[Statement given by Government and Justice Minister Luis Robles Plaza at the Government Palace in Quito -- live]

[Excerpts] The president of the republic has very clearly given specific orders to the National Police. [Words indistinct] we respect that institution. As I have told you repeatedly, in addition to the normal restraint, or if you like, strictness, with which we want the police to act, and very (?especially) when attacks take place that may involve terrible dangers for the institution, I have always stressed that police actions must correspond to the dimensions of the attacks against them. This does not mean in any way that that we are determined to [word indistinct] any excess or abuse with the utmost vigor. I am going to give you a copy of a letter I received from the president of the republic. The letter reads as follows:

Mr Minister: After learning of the tragic death of one citizen during this morning's violent demonstrations in Quito, please begin a strict, rigorous, and thorough investigation [words indistinct]. Report to me at once about the conclusions reached and sanctions that must be imposed on the guilty persons. The entire country can attest to the unprecedented support and backing which my government has given to the police institution, which has the lofty and fundamental task of ensuring domestic order and respect for the basic rights of every person. This support and backing will continue with the [words indistinct]. However, no police member or citizen in the republic is authorized to perpetrate abuses or go to beyond one's rights regarding self-defense. Therefore, the person or persons whom the investigations find guilty of the regrettable incidents of this morning, will be sent to the appropriate courts and will receive exemplary sanctions established in Ecuador's legal system.

Sincerely,

[Signed] Leon Febres Cordero, constitutional president of the republic.

Here are copies of this letter.

According to the latest reports and investigations we have received, here is a report regarding the actual incidents. One citizen was killed, one. He is Fernando Patricio Aragon Andrade, a youth. We have learned that he was a first year student of the central University's faculty of clinical psychology. According to the reports, and this will be clarified by the autopsy, this young man died from a gunshot wound in the chest.

Two other young men were injured. They are [name indistinct] Robles and Juan Carlos Torres.

I immediately ordered police members to begin preliminary investigations in order to establish which of the policemen in the Mobile Squad [Escuadron Volante] should be held responsible for this regrettable incident.

The second lieutenant in charge of the small squad, as well as its members, are now under investigation. They are in custody at the Quito Regiment garrison. Of course, a ballistic investigation is under way to correctly establish who is to be held accountable. I want you, and the country in general, to know, although I may be repeating a statement by President Leon Febres Cordero, and what I said at the outset, that the support we give the police and will continue to give is one thing; not to react against abuses of this nature is quite another.

MINISTER ON POSSIBLE U.S. TRADE RESTRICTIONS

PY131823 Asuncion EL DIARIO in Spanish 13 Jun 86 p 13

[Text] EL DIARIO NOTICIAS on 12 June questioned Justice and Labor Minister J. Eugenio Jacquet on a report that the U.S. Government might restrict the importation of some Paraguayan products, allegedly due to labor organization pressure. The minister replied that "we have to adjust ourselves to the situation, not because we are yielding to pressure but because it is good for our country."

Reliable sources have said that the AFL-CIO has pressured the U.S. Government to restrict the importation of goods under the General System of Preferences (SPG) from those countries in which workers do not enjoy full freedom to organize and voice their demands.

The sources said that the minister discussed the issue with U.S. Ambassador Clyde Taylor. Asked about this, the minister said: "That is right. I talked with the ambassador on the SPG, which Paraguay will renegotiate in August 1986." Jacquet added that "under the SPG, the United States grants some benefits to developing countries. The SPG accord for Paraguay expires in August and must be renegotiated."

The minister added: "It seems that the Paraguayan Journalist Union (SPP) and the metalworkers union (Sinoma), which have joined the Inter-Union Movement, contacted the Inter-American Regional Organization of Workers (ORIT), the ICFTUO [International Conference of Free Trade Union Organizations], and the AFL-CIO to report that some unions are not recognized here."

Jacquet pointed out that "I do not konw whether the unions leveled a charge or submitted a report. But the information originated here, and the AFL-CIO wants to know whether it is true. That is what I discussed with the ambassador." "Our answer will reflect our position. Obviously, if we have to adjust ourselves to the SPG conditions, we will do it," he added. "If we faiil to renegotiate the SPG accord because of labor pressure, it will be the result of the action of Paraguayans against Paraguayan interests," he stressed.

Jacquet added: "I agree that if it is good for our country, we will have to adjust ourselves. But if this situation harms our country, it will be the consequence of what some Paraguayans have done."

Under the SPG, which grants tariff and administrative preferences, Paraguayan exports to the United States reached $16 million in 1984, $3.7 million in 1985, and $4.3 million thus far this year. The main export items are sugar, leather, shoes, clothing, and handmade articles.

PRC TRADE DELEGATION ENDS 1-WEEK VISIT

PY141657 Asuncion EL DIARIO in Spanish 14 Jun 86 p 13

[Text] Private business sources reported yesterday that our country may initiate direct trade relatons with the PRC in a measure to expand the export markets. This week a PRC trade mission held private meetings in this capital. It ended its surprise visit yesterday, as was learned from the sources.

In the framework of a Latin American tour and as part of Beijing's drive to expand its trade links, a PRC delegation has visited our contry for the first time, maintaining discreet meetings and talks with representatives of the private sector.

The delegation was headed by Liu Shaoshan, vice chairman of the China Council for the Promotion of International Trade (CCPIT). The PRC group included nine additional members, and its proposals have been received with particular interest by the businessmen, because of the sales possibilities in a market of 1 billion people. The PRC delegates showed interest in the offer of local export products. They also reported on the prospects of trade expansion in view of the fact that the PRC is now expanding its exports according to a policy of economic opening toward foreign countries, breaking with the canons of classic Moscow-style communism.

Paraguayan businessmen have expressed their satisfaction with talks held with the PRC trade representatives because the economic opening of that Asian country could mean a new market for our agrarian and industrial products. They have also said that Paraguay can trade with the PRC despite political and ideological disagreements that may exist between the two governments. Paraguayan private businessmen have often said it is important to open new markets for our products and that this would not mean any surrender of ideological principles, in the opinion of business sector representatives. To this end, the businessmen have requested expansion of trade with the countries of the socialist area because of advantages that may be obtained from such trade links.

Trade Talks Hailed

PY152255 Asuncion PATRIA in Spanish 13 Jun 86 p 13

[Unattributed commentary: "New Markets"]

[Text] The economic and financial organizations of mainland China have been increasing their commercial contacts not only with Europe and the United States but also, closer at hand, with the countries that border on Paraguay. These countries hope to benefit from this new market for their exports. Because the question of new markets is directly tied to the increase of production and the reactiviation of foreign trade, it would appear highly advisiable not to be left behind in this drive for new markets and the effort to encourage nontraditional exports. This means that the productive sectors of the nation must display imagination and decisiveness in approaching this issue. We know that the Paraguayan Banking Chamber is currently negotiating the terms most suitable for the interests of the country in an effort to attract this new trade which could well have a chain reacton effect on agriculture production, industry, and trade. It could also boost the interest in investing in Paraguay and this, as well as everything else, will stimulate the economy in general and in particular exports, the main source of foreign currency for the country.

These trade negotiations, which have become universal, surpassing ideological differences, should not be seen as part of any project to change Paraguay's foreign policy. This policy is clear-cut, firm, and in keeping with the country's tradition and the government's guidelines. The negotiations are merely a display of the natural and patriotic concern to enhance development and overcome the effects of the world economic crisis, which has been so harsh and extended, that new trade flows, a more flexible framework permitting competition, and favorable conditions will be necessary for countries that produce raw materials and agro-industrial goods to be able to overcome the widespread decline of the terms of trade with the industrialized countries, their traditional trade partners. New possibilities must be explored if we want to close the chasm between the prices of raw materials and industrialized, and the huge market of mainland China, no matter how petty the purchasing power of each individual may seem has great potential if taken globally and may yield honest profits without jeopardizing ideological positions.

Delegation Reportedly Expelled

PY152315 Asuncion LA TARDE in Spanish 14 Jun 86 p 7

[Excerpts] A delegation of PRC businessmen was apparently expelled from Paraguay last night. The Chinese businessmen arrived in Paraguay 3 days ago and were staying at a downtown hotel in Asuncion. They had entered Paraguay on visas obtained from the Paraguayan Embassy in Buenos Aires.

It would seem that the Communist Chinese businessmen were expelled after Taiwan Ambassador General Wang Sheng met with Paraguayan Foreign Minister Carlos A. Saldivar last night. At this meeting the Taiwan diplomat reportedly submitted a strong protest over the presence of PRC businessmen in Paraguay.

News media reported this morning that the delegation of PRC businessmen was made up of 10 persons led by Liu Shaoshan, vice chairman of the China Council for the Promotion of International Trade [CCPIT]. Semiofficial sources, however, indicated that the delegation was made of 3 persons who had come to Paraguay as investors.

No information could be obtained this morning from official sources on the expulsion of the Chinese businessmen who, according to sources of this newspaper, were put on board a flight to Bolivia last night.

The Embassy of the Republic of China in Asuncion did not supply much information on the steps that this embassy took yesterday to make mainland Chinese businessmen leave the country. Some members of this mission indicated that the visit could have led to a cooling down of relations between Paraguay and Taiwan. Within the framework of these relations, the Paraguayan president will visit Taiwan in November this year.

The 3-day visit of mainland Chinese businessmen to our country leads us to believe that they may have held contacts with local businessmen or representatives of the economic sector.

RADIO NANDUTI REPORTS END OF INTERFERENCE

PY140138 Paris AFP in Spanish 0135 GMT 13 Jun 86

[Text] Asuncion, 12 Jun (AFP) -- Spokesman for the embattled Radio Nanduti, the aggressive Paraguayan radio station that has been jammed for almost 1 month by unknown supporters of President Alfredo Stroessner, have reported that it was suddenly able to broadcast without any interference, even making calls abroad, beginning on 11 June.

The intereference was discontinued 1 day before station owner and director Humberto Rubin was scheduled to meet with a UN observer of human rights. The UN observer arrived in Asuncion on 9 June to hold talks with representatives of various sectors of the citizenry on the subject of human rights in Paraguay. The Paraguayan Government has declared the UN observer to be its guest of honor, and he attended several receptions that the authorities held in his honor.

PARAGUAYAN COMMUNIST GREETS LIBERATION MOVEMENT

For Soviet reportage of an interview with Ananias Maidana, member of the Paraguayan Communist Party leadership, see the Latin America and Caribbean Section of the 13 June 1986 Soviet Union DAILY REPORT.

BOMB BLASTS; SECURITY MEASURES FOR SI CONGRESS

PY141822 Madrid EFE in Spanish 1554 GMT 14 Jun 86

[Text] Lima, 14 Jun (EFE) -- Ten bomb explosions in Lima and seven in Huancayo occurred last night, while strict security measures have been established in this capital for the 17th congress of the Socialist International.

In Lima and its port El Callao, and in Huancayo, 415 km southeast of this capital, the attacks were mostly aimed at the offices of state companies. In Huancayo, three people were injured. In Lima and El Callao, eight offices of the drinking-water company, Sedapal, and two of the Lima power company were bombed. The police have reported that the explosions in Lima claimed no victims but that there was considerable damage. According to witnesses, the attacks were made by heavily armed individuals 2 hours before the 0100-0500 curfew went into effect in the capital and its port. The area is also under a state of emergency.

In Huancayo, three people, including a policeman, were injured by the explosions. The explosions took place at the fire brigade station, the Agrarian Bank, the drinking-water company, the City Hall, a sawmill, and other places. Specialists succeeded in defusing bombs planted at the Huancayo railway station.

In Lima, a Republican Guardsman was murdered yesterday by terrorists disguised as students. After killing him, they stole his gun.

The police have established a zone, strictly closed to traffic and the parking of vehicles, in the streets surrounding the Crillon convention center, where the meetings of the socialist women, the session of the Socialist International bureau, and the Socialist International congress will be held. The security measures will be in effect until 23 June, when the Socialist International congress will end.

Meanwhile, Msgr Augusto Vargas, secretary of the Peruvian Episcopal Conference, has denied statements he is supposed to have made, published yesterday in a Lima newspaper, that the Catholic Church will mediate between the government and the subversives. The prelate said that the conditions for mediation arc not at hand because subversion clearly does not show any signs of wanting a dialogue.

Security Defended

PY131701 Madrid EFE in Spanish 0722 GMT 13 June 86

[By Marisol Marin]

[Excerpt] Lima, 13 Jun (EFE) -- Armando Villanueva, secretary general of the ruling American Popular Revolutionary Alliance (APRA), has stated that all necessary security measures -- which include the assistance of foreign experts -- have been taken for the Socialist International [SI] world congress to be held in Lima from 20 to 23 June.

At a dinner hosted last night for foreign correspondents, Villanueva said the Peruvian Government "has no objections to allowing duly authorized and accredited foreign experts to cooperate in security operations." He reiterated that "comprehensive security measures have been adopted."

Villanueva made these remarks shortly after receiving a telegram from EEC Commissioner Claude Cheysson, who regretted a recent unsuccessful attack on President Alan Garcia; and the announcement made in Sweden that Social Democratic leader Ingvar Carlsson will not be coming to Lima for security reasons.

On 7 June 4 people died when 3 bombs exploded before and after a ceremony presided over by President Garcia and attended by members of the Armed Forces general staff in downtown Lima.

Commenting on Cheysson's telegram, Villanueva said: We appreciate this message of support, but there has been no attack against the president.

Villanueva said that foreign press reports from Peru are often exaggerated and out of keeping with reality. He admitted, however, that "it would be naive to say that there is nothing going on."

Villanueva, a long-time APRA leader who will become president of the Senate in July, has been one of the few people who publicly advocated holding dialogue with the Shining Path "because democracy means dialogue, and we democrats cannot fail to promote dialogue." Villanueva also contended that terrorism "has quantitatively declined" in Peru, although "selective actions" have increased. He also denied recent rumors about tensions between the APRA government and the Army. He said: "There has been no friction." He said that the Armed Forces, which have complied with their constitutional duty, deserve our wholehearted respect.

ARMY, POLICE KILL 4 TERRORISTS, ARREST 16

PY131409 Lima Latinamericana Television in Spanish 0415 GMT 13 Jun 86

[Text] In a recent clash with a police patrol, three unidentified terrorists died and six others were arrested in the Soccos area of Aymaraes Province, in Apurimac Department.

The Armed Forces Joint Command today confirmed that the terrorists, who attempted to ambush the patrol, carried 2 Mgt machine guns, a G 3 rifle an FAL rifle, an Ml rifle, a (Shekado) rifle, 2 pistols, over 440 dynamite sticks, and Civil Guard uniforms of the Taparihua police.

On 9 June another terrorist was killed in a clash with an Army patrol in the (Dera) region, Huanta, in Ayacucho Department.

According to a report released today, 10 terrorists who had set the Pomacocha city council building on fire were arrested. Pomacocha is located in Andahuaylas, in Apurimac, where the terrorists also set several other houses on fire.

ECONOMY MINISTER ANNOUNCES NEW MEASURES

PY112242 Montevideo EL DIA in Spanish 6 Jun 86 p 22

[All quotation marks as received]

[Text] According to Economy Minister Ricardo Zerbino, a series of measures will be implemented some time this month with the objective of promoting exports. These measures include lifting taxes on imports for selected sectors.

Speaking at a meeting at the Parque Hotel, which was organized by the Hanns Heidel Foundation, Zerbino conformed the approval of a mechanism to promote investments and of other measures such a preferential energy rates for industries that operate at night. Zerbino also said that the May inflation rate was 2.4 percent, and that in the first 5 months of the year exports increased by 20 percent over the 1985 level.

The economy minister also confirmed that taxes and tariffs will be lifted on assets for selected activities or for companies that operate in the interior of the country. He said that there is no possibility, however, that a similar measure will affect income taxes in the industry and business sectors.

Regarding measures that will make the export sector more adaptable, Zerbino said: "We strive to establish a more adaptable all-encompassing mechanism to support priority export sectors. Specifically, this mechanism will lead to the lifting of taxes on imported goods that are not competitive with national industrial products. It will also specify that the drafting of an investment plan will not be necessary unless this is required because of the nature of the specific proposal that is submitted or because of the need to request some kind of financing or credit."

He added: "Therefore, any industrialist who wants to replace equipment or to invest in an export activity that is promoted or included in a list to be drafted, will simply have to verify his status as an exporter. He can then import the industrial equipment he needs tax-free, provided this equipment is not competitive with national industrial products."

Zerbino said: "I believe this will make the proceedings regarding the Industrial Promotion Law and the evaluation of projects at the advisory-unit level less complicated. With these measures, we will dispense with the requirement to draft and file an investment plan to replace two or three machines. We will do away with bureaucratic procedures and the requirement to hire special consultants. We believe that this represents very important progress, which will benefit priority sectors." He also said that all this does not invalidate the other alternative, that of declaring every industry to be of national interest. He said: "This concept is somewhat grandiose, and I do not agree with it." I believe that instead of declaring something to be of national interest we should establish specific areas of promoted activities so that those who are given this status do not feel privileged because they have special prerogatives. The only prerogative would be to enjoy certain privileges and consequently to exercise them in a responsible manner. But we believe that through the mechanisms included in the industrial promotion law, we shall be able to continue promote new projects and those that need incentives. We hope that shortly we shall be able to clearly define the type of fiscal benefits that will be granted."

"So as not to raise false expectations, we must note that the government does not intend to lift taxes or tariffs on the income of industries or businesses. We believe that any activity that yields profits resulting from lifting taxes on capital assets and other tariffs must pay taxes on its profits, if there are any. Such activities enjoy preferential treatment. This does not apply to taxes on assets.

"We will soon announce the lifting of these taxes for certain selected activities. Some additional measures will be announced if the industry is located in the interior of the country, and special treatment will be granted to long-term investments. Time is passing and we must be brief."

Zerbino also talked about other mechanisms "that we plan to implement before the end of June."

"I would like to refer to a comprehensive mechanism to promote investments in all production sectors. This is an accelerated amortization mechanism, which we believe is highly attractive, and which will be implemented, although temporarily, for 2 or 3 years. All investments made in this period will benefit from this measure."

"We believe this measure provides a very important solution to the problem of how to obtain investment returns, a factor which influences business decisions. We believe this is the best way to reduce taxes on profits. It is also the best procedure by which we can promote the reinvestment of profits of those companies that have them."

"We are also working with the Industry Ministry and the Bank of the Republic, and within a couple of days we shall make an announcement regarding a reduction in the cost of exporters' paperwork."

Zerbino said: "We must also announce that we are about to implement a plan that has been drafted with the cooperation of the General Administration of State Electric Power and Phones [UTE] board and technicians, and which is now being studied by the executive branch. This plan will grant a preferential tariff for those industries that consume electrical power at night."

Regarding some other initiatives that probably will not be implemented this month, the economy minister said: "We shall continue to study a method of prefinancing exports. We will adapt it to suit the requirements of the different sectors as we did recently with cheese and textiles, by extending the payment terms."

He added: "We are also trying to cope with some problems caused by the taxes on currency exchange. We shall attempt to remove this tax under the prefinanced scheme that is for the benefit of exporters."

Zerbino said: "There are other initiatives I wish to list, briefly so as not to make this too long. Soon we shall be submitting to Congress a draft law on 'leasing' [preceding word in English], and a draft law on the establishment of industrial and commercial duty free zones. We are also studying other areas of the tax sector, for example, to include the agricultural sector under the value-added tax. This will bring advantages to the sector because there will be a reduction on the tax burder. We want to simplify the relationship between taxpayers and the Internal Revenue Department. This will be done through a single monthly tax declaration form that will include value-added tax and other payments, which must be completed for income-tax purposes regarding industry, commerce and property tax. This single tax form will eventually be used as a bill of payment. It will be based on a system we hope will be in operation by 1987.

It is a system consisting of a single tax form to be sent by the International Revenue Department on a monthly basis through which the taxpayer will know his present tax situation."

"We believe this will result in the simplification of the handling of taxes of businesses and taxpayers in general."

Zerbino also said "We are fully aware of the importance of having stable promotional policies as well as stable macroeconomic policies. We would also like to say that the state does will only support and complement the creative and innovative undertakings of businessmen. In addition to the areas we have just mentioned, we believe that agreement must be achieved through better use of international economic and technical cooperation. Together with the Budget and Planning Department, we are studying the establishment of a special department to help businessmen to promote technical support in the technological and trade sectors by providing effective tools that will help resolve the basic problems usually confronted by businessmen, and to resolve problems in productive, technological, and marketing areas.

The economy minister added: "We are aware that the government is responsible for establishing policies that will lead to economic development and the improvement of people's standard of living. We are also aware of the great challenge that we face in drafting of these policies, and that we must make economic demands that are compatible with social justice. We believe that the government has granted proper attention to these issues in the policies that it has introduced, but we also believe that the government is not the only one responsible for achieving this undertaking."

"We believe that business companies have several responsibilities: To strive through all means available to be successful in the activities in which they are involved, to improve production levels, and to improve efficiency. This is essential for economic and social improvements.

"We believe that business companies have a social responsibility that may be defined as a requirement to aid the society in which they exist. We are convinced that the leadership of these companies take particular interest in the society in which they operate. This will be beneficial to them. They should be particularly interested in seeking ways to avoid conflicts." Zerbino said: "We believe that the business sector must be particularly interested in improving everything that affects the operation of the companies. This must be based on the acknowledgement of the dignity of human labor and on the promotion of the workers, because this is the way to achieve a better national social atmosphere and to improve the prosperity of our nation.

SANGUINETTI DISCUSSES DIALOGUE, AMNESTY

PY150028 Montevideo Radio El Espectador Network in Spanish 1600 GMT 14 Jun 86

"Portion" of a 2-hour news conference by President Julio Maria Sanguinetti with unidentified reporters at the presidential residence in Montevideo on 14 June -- recorded]

[Text] [Sanguinetti] In the 14 months of democratic government, the country has displayed the best of its tradition: a predisposition for dialogue and easy contacts between the leaders. One of the duties of the president is to keep dialogue alive in the country, and this dialogue must involve political figures, businessmen, and all those who represent the various sectors of the nation. From this point of view, the political leaders are privileged interlocutors.

My optimism with regard to this aspect has remained unchanged. I also believe that in these 14 months we have achieved a great deal in every sense. Sometimes, we tend to overemphasize our disagreements. This means that we must keep talking to enhance our agreements. I do believe that from this point of view we are in good form.

The truth is that in March 1985 I did not think that we would be in such good shape as we are now; I honestly thought that we would be much worse off, that we would be facing many more difficulties, and I believe that most Uruguayan people thought the same thing.

[Question] Mr President, I would like to ask you about the meeting you held with Ferreira Aldunate. When he left, he said that there were more points in common than he had originally expected. We know that the human rights issue was discussed during this meeting, and we know that the Blanco Party has proposed a congressional debate on the issue. Senator Zumaran indicated that the Blanco Party wants to know who is guilty of crimes against humanity and then decide whether they deserve a generous gesture. Some circles are even talking about amnesty. What is your position on this subject?

[Sanguinetti] First of all, I would say that we did not discuss the issue of human rights in Uruguay because there was no need to do so. No Latin American country is less bothered by human rights problems than Uruguaya.

[Question] But we did have these problems in the past?

[Sanguinetti] All right, but semantics are important in this case because one cannot talk about human rights problems when in fact there are none. By doing so we are focusing the people's minds on a nonexistent problem.

The issue is a review of a situation prevailing prior to the advent of the current administration. [words indistinct] and not about the human rights problems because no such problems exist in Uruguay today.

Undoubtedly, this is a sensitive issue and technically important and I [words indistinct] it is a political issue. This is our main problem. Why? Because it all started with the amnesty that the Tupamaros received at the beginning of the democratic government.

I am sure you will recall that that there were different positions about this issue during the electoral campaign. We believed in a partial amnesty that would not include those guilty of crimes against human beings. In the end, a broad amnesty was passed, much broader than the one we advocated, and we accepted it.

We were not quite sure whether this amnesty would be good for the country. We believed that things had gone much farther than we would have liked, but in the end we accepted it in the name of peace for the country .

After 14 months I can tell you that we were right, that all of us were right and that in the final analysis this helped to achieve the atmosphere of political peace that the country is enjoying today.

In those days we believed that the other social issue, meaning the reports on and the demands to review situations related to the de facto government, should have been left in the impartial hands of the courts. Unfortunately, it has been impossible to achieve this over these months because we all know that the issue has given rise to a political controversy and the courts can no longer be expected to be impartial.

No one, no judge, can be honestly expected to arrive at the conclusion that some given incident must be turned over to the military courts. [Words indistinct] I personally believe that the majority [words indistinct] that a given judge is independent [words indistinct].

We all know that this has turned into a political issue and that there is a lot of political pressure. [passage indistinct] I can honestly say that just as I preferred an amnesty more limited than the one the Tupamaros got, I accepted the final outcome. I also say that I would rather see this issue in the hands of the courts. However, I realize that the current political atmosphere may require a political solution.

BRIEFS

RECORD DRUG SEIZURE -- The largest drug shipment ever intercepted in our country has been seized at Carrazco International Airport. A Spanish woman was detained. The police report states that 13.5 kg of pure cocaine was found on the woman. Its estimated valve exceeds $13 million. The woman was detained just before boarding a plane bound for Europe. It is believed that the drug was brought from Buenos Aires. [Summary] [Montevideo Radio El Espectador Network in Spanish 0930 GMT 6 Jun 86 PY]

FINANCIAL NEGOTIATIONS BEGIN WITH IMF, BANKS

FL131608 Mexico City NOTIMEX in Spanish 2335 GMT 12 Jun 86

[By Roberto Gonzalez Perez, correspondent]

[Excerpt] New York, 12 Jun (NOTIMEX) -- This morning a source involved with negotiations between the IMF and Mexico said that conversations are going well. The source also said that Mexico is not contracting an $8 billion financial package as has been reported by U.S. media, but is negotiating loans with several institutions.

According to the source, loan negotiations will probably continue for 3 months, and if it appears that the loans will be approved quickly, Mexico will present the IMF with a letter of intent to negotiate a stand-by loan for 1986. This letter could initiate direct negotiations with banks and institutions which could take a minimum of 15 weeks.

It was reported that Mexico seeks $1 billion from the IMF, $1 billion from the World Bank, $2.75 billion from private banks, between $600 and $900 from the Paris Club, and $1 billion from the Japanese Government. The tentative total is approximately between $6.35 and $6.65 billion. [all figures as received]

Current Situation Discussed

PA131757 Mexico City EXCELSIOR in Spanish 11 Jun 86 p 6A

[Editorial: "Not Just More Loans"]

[Text] It seems that the creditors' resistance has begun to soften. As soon as the Mexican Government set forth, with absolute clarity, the possibility of declaring a moratorium on the payment of the interest on its debt, U.S. bankers and government officials changed their position and started talking about renewing our line of credit; it is even said that arrangements for granting Mexico a $5-6 billion loan are approaching a settlement.

The immediate lessons one can learn from those rumors, which say a great deal about how the Mexican credit problem evolves in the United States, are varied. In the first place, those rumors prove that a unilateral moratorium declared by our country would indeed have serious repercussions on the U.S. banking structure. Secondly, the rumors show that Mexico must take advantage of the present situation to reorganize in general the agreements with the creditor banks. It is not enough to make an agreement with the IMF and obtain new lines of credit. The essential point is to attain a reduction in the debt service to make it compatible with the foreign currency that enters the country, in order to achieve a long-term economic growth.

In other words, we have to make sure not to reenter the orbit of the decisions and measures taken only, and solely, in favor of the creditors' interests. Mexico does not need additional credits, because that will render the management of the country's economy even more difficult. The essential point is to transfer a reasonable part of the costs of the financial crisis to the international banks.

TRADE WITH PRC TO REACH $500 MILLION PER YEAR

FL130158 Mexico City NOTIMEX in Spanish 2342 GMT 12 Jun 86

[Excerpt] Acapulco, Mexico, 12 Jun (NOTIMEX) -- Trade between Mexico and the PRC could reach $500 million a year if planned coinvestment projects between the governments of the two countries are approved. This was announced by Mexican consul in Beijing Esteban Valdeoliva Sanchez. He added that currently trade between the two nations amounts to $150 million a year, with the balance favoring Mexico.

NATIONAL DEFENSE SECRETARY DENIES CORRUPTION

FL130142 Mexico City NOTIMEX in Spanish 2110 GMT 12 Jun 86

[Text] Mexico City, 12 Jun (NOTIMEX) -- National Defense Secretary Juan Arevalo Gardoqui today denied that members of the Mexican Army are involved in corruption activities within the drug smuggling campaign.

In a press conference, Arevalo Gardoqui asserted that the Mexican Government is making, and will continue to make, its best efforts in the permanent camapign against planting, harvesting, and smuggling of drugs. He underscored that the Army destroys between 86 and 80 percent of the drugs planted in Mexico and that the daily cost of the campaign against drug smuggling in the entire country amounts to 65,945,500 pesos (over $119,000). He added that the Army and Air Force permanently maintain 25,000 of its members involved in an unprecedented war against an invisible enemy, in rugged terrains, without additional funds. He said the daily cost per member amounts to 2,637 pesos (over $4.00) and includes food, clothing, equipment, weapons, health services and vehicles.

The secretary of defense refused to respond to U.S. accusations that Mexico is not doing enough to end drug smuggling. He indicated that the Foreign Secretariat is the one entitled to do so. However, to illustrate the efforts the national defense is making, he reported a summary of the drugs confiscated during this year.

He said 23.3 tons of marijuana, 1,130 kilos of cocaine, 3,000 kilos of opium paste, 210 kilos of marijuana seeds, and 91 kilos of poppy seeds were confiscated. In addition, 48,449 poppy fields, and 13,327 marijuana fields were destroyed in an area of 8,434 hectares. In these operations, 22,000 people were arraigned by federal authorities, 17 of them were foreigners. Also, 19 clandestine air strips were destroyed, as well as 1.7 meters [as received] of irrigation pipes.

Arevalo Gardoqui made a call to the peasant population and to the public in general to report to military authorities any drug smuggling activity. He said that to prevent these people who poison the population from tricking peasants into providing the land to harvest drugs, the national defense secretariat is distributing fliers in the most common dialects in the states where drug smuggling is more prevalent.

He asserted that the most important achievement is not the drugs they have destroyed in the last 10 years but that it has prevented over 382 million individuals' -- which equals the total population of Mexico, Central and South America -- being intoxicated during a week.

REACTION TO CHARGES AGAINST NORIEGA CONTINUES

Delvalle UNADE Leaders Meet

PA131418 Panama City MATUTINO in Spanish 13 Jun 86 p 10 B

[Communique issued by Guillermo Antonio Adames, press secretary of the Presidency on 12 June.]

[Text] As a result of a systematic campaign unleashed in several U.S. news media, which has intensified in the last few hours, the president of Panama called the presidents, secretaries general, and legislators of the UNADE [National Democratic Union] parties to an important meeting at the presidential palace.

At the end of the meeting, Panamanian President Eric Arturo Delvalle stated:

The unity of the government has been threatened because the U.S. communications media, infuenced by Panamanians involved in a conspiracy which will be made public in the next few days, have sought to describe General Manuel Antonio Noriega in terms that have the fundamental objective of discrediting and dividing the Defense Forces and involving them in alleged illegal activities. They contradict the official position that the U.S. Government has maintained in documents that have borne witness that in our country the authorities are carrying out effective work to combat drug trafficking and the laundering of money.

After several hours of discussion on this topic, the president of the Republic stated that he was very pleased by the spirit of unity, brotherhood, and cohesion that prevailed during the meeting, and he stated that, in any case, those groundless attacks further unite and strengthen us to face and combat any destabilization attempt in our country.

Guillermo Antonio Adames, press secretary of the Presidency.

U.S. Must Define Stance

PA132344 Madrid EFE in Spanish 2244 GMT 13 Jun 86

[Excerpts] Washington, D.C., 13 Jun (EFE) -- The U.S. Government must define its stance regarding the "groundless" charges that aim at "destabilization" which have been unleashed by the U.S. press against Panamanian Defense Forces Chief General Manuel Antonio Noriega. This definition was demanded today by Roberto Leyton, Panamanian ambassador to the OAS. He asserted that behind these charges "can lurk those who were always the enemies of the Panama Canal Treaties."

According to unidentified U.S. officials cited by THE NEW YORK TIMES and the television network NBC, Noriega is involved in drug trafficking, illegal sale of arms, and money laundering, has cooperated with Libya, Cuba, and the PLO, and is linked to the murder of Hugo Spadafora. The newspaper also reported a plot to murder Noriega during President Richard Nixon's administration.

Ambassador Leyton, who today signed at the OAS the protocol of amendment to the Inter-American organization adpoted in Cartagena de Indias (Colombia) in December said that theses "slanders try to do harm."

The diplomat said: "It is the responsibiltiy of the United States to clarify these charges" because they were presented by unidentified government officials. Leyton asserted: "We think those who were always the enemies of the treaty might lurk behind this. The treaties establish Panama's sovereignty and the transfer of the canal's full administration in 1999."

The ambassador pointed out that the Panamanian Govenment has expressed "confusion" over these reports that "contradict" those sent by the United States about the situation of drug trafficking his country. On 8 May John Law, director of the Drug Enforcement Agency, DEA, sent a letter of recognition to General Noriega for "your vigorous antidrug trafficking policy."

PRD, PDC Legislators Comment

PA141904 Panama City LA ESTRELLA DE PANAMA in Spanish 14 Jun 86 pp A 1, A 10

[Text] LA ESTRELLA DE PANAMA has obtained new reactions from Panamanian political sectors -- of the government as well as the opposition -- regarding accusations against General Manuel Antonio Noriega, commander of Panama's defense Forces, published in the U.S. daily THE NEW YORK TIMES.

In that report, published on 12 June and highlighted by international news agencies, Noriega is accused of "drug trafficking, delivery of secrets to Cuba, arms contraband, and money laundering."

PRD [Democratic Revolutionary Party] Legislator Jerry Wilson Navarro has said that the remarks published in THE NEW YORK TIMES are "direct interference by certain U.S. sectors in our country's domestic affairs in an effort to cast doubts about the ability of Panamanian organizations to maintain the security and guarantee the normal operation of the Panama Canal in coming years."

In addition, Wilson Navarro, former president of the Legislative Assembly, said he believed that the accusations against Gen Noriega surpass the ingenuity of authors of international espionage novels, making Gen Noriega look like a superman who can play with the two imperialist blocs.

Wilson Navarro said that the veiled interests of internal and external sectors which want to destabilize our country and sink Panamanians into a bloodbath are behind all these accusations.

He said that these accusations "are the same tricks used in the past wherever Panama tried to consolidate its independence and sovereignty. Something similar happened to General Remon and General Torrijos. Now it is happening to Gen Noriega."

In conclusion, he said that the Panamanian people must be alert "so that they will not be caught by surprise by this new plot which, in substance, is trying to prevent Panamanians from taking absolute control of the canal."

Guillermo Cochez of the Christian Democratic Party [PDC] also gave his views on this matter to LA ESTRELLA DE PANAMA. He said that the facts mentioned by THE NEW YORK TIMES are not new to Panamanians.

"What was said has been the topic of speculation by Panamanians for years. For this reason there has been serious suspicion about the involvement of the military leadership in drug trafficking, and this was stated by the PDC in its 9 May National Congress," he added.

Cochez said that what was stated there (in THE NEW YORK TIMES) is truly shameful and degrading for all Panamanians, especially for the honor and prestige of the Panamanian Defense Forces, which deserve, as do all Panamanians, more respect for their integrity and dignity.

The PDC legislator called for a "thorough rectification within the Defense Forces so that they can begin to serve the people once and for all instead of serving anyone's interests in particular, much less becoming involved in the despicable activities that have been widely reported by the international media."

People's Party Rejects Charges

PA150019 Panama City MATUTINO In Spanish 14 Jun 86 p 1

[Communique issued by the Panamanian People's Party in Panama City on 13 June -- upper case passages published in boldface]

[Text] On Thursday, 12 June, several U.S. newspapers, among them THE NEW YORK TIMES, published accusations against General Manuel A. Noriega. Along with other accusations, international and local actions, and the Panamanian internal reaction, deep down this part of a new imperialist escalation aimed at totally recovering political in Panama in order to install a pro-U.S. regime that will docilely follow Reagan policies directed against CONTADORA to trample upon the Sandinist revolution, destroy the Salvadoran people's struggle, harass Cuba, and have all the countries in the Central American region, including Mexico, come under the yoke of the State Department and the Penatagon. This would also allow Washington and the IMF to make juicy collections of interest on our heavy foreign debt.

The method used by THE NEW YORK TIMES was immediately welcomed by Mr Shultz, who said not only that the accusations are worrisome for the State Department but that Panama must resolve them. This is open Yankee intervention in our internal affairs. The reation of the oligarchy, the imperialists' docile peons, has been to put two and two together in order to attain power aboard the spacecraft of the TIMES' accusations and the other statagems planned by Reagan's agents. Panama would thus be as it was prior to 1968.

This is why the people must understand that the leading "conspirators" are the imperialists who use the oligarchic peons dispersed among the various factions to achieve their ends.

In response to this escalation, it is the duty of the military forces and the government to inform the people of their position: either they take up the patriotic Torrijist flag; defend popular achievements; stop IMF interventions; refuse to accept new antipopular adjustments; revise antiworker, anti constitutional Law No 1; defend national sovereignty, nonintervention, true nonalignment, and peace, or they surrender to the treacherous attacks from the darkest forces of imperialism and to internal reaction. If they adopt the national, popular, and patriotic position there is no doubt THEY WILL HAVE THE PEOPLE ON THIER SIDE. Otherwise, the Panamanian people will face very difficult days. However, in response to any alternative, the impeialists and oligarchs must know that the masses will always struggle firmly against them when it is a matter of their trampling upon the people's rights and national sovereignty.

The People's Party calls on its members and urges the progressive forces not to allow themselves to be taken by surprise by this imperialist trick. It would be a mistake to blame the oligarchic "conspirators" for this escalation, as if the native oligarchs could establish guidelines for the State Department.

We call on all popular organizations to be alert, not to allow themselves to be led by the Christian Democrats and other sectors that are crying for an imperialist intervention in Panama. A change of government -- of any type -- brought about by the oligarchic-imperialist alliance could mean only the brutal destruction of the working, peasant, professional, student, and Indian masses and guarantee an unforeseeable climate of violence.

Today the imperialists are doing everything possible to pave the way in order not to leave Panama in the year 2000, and for this they can count on turncoats who would willingly surrender.

THE PROGRESSIVE FORCES MUST UNITE AGAINST THE U.S. IMPERIALIST INVOLVEMENT.

POLITICAL BUREAU OF THE PEOPLE'S PARTY CENTRAL COMMITTEE

Friday, 13 June 1986

PAPO Leader on Charges

PA150112 Panama City LA PRENSA in Spanish 14 Jun 86 p 1

[By Allan Perez]

[Excerpts] Referring to the accusations against Gen Manuel Antonio Noriega -- who is accused of being a drug trafficker, arms smuggler, and double agent -- Popular Action Party Vice President Dr Mauro Zuniga told LA PRENSA: "What is happening to Noriega is part of Latin America's history. The United States creates the dictators, gives them some power, uses and corrupts them, and -- when the degree of corruption reaches an intolerable level -- discards them."

He said that the Panamanian case is like the Haitian case: Given that the nationalist alternative is not well organized, the Americans replace a dictator when they have a replacement who will defend their interests. He said that the Panamanians must now strengthen their nationalist and civil struggle and in no way dance to the beat of the American newspapers' drums.

Spadafora Reacts to Report

PA150201 Panama City LA PRENSA in Spanish 14 Jun 86 p 18 A

["Counterpoint" column by Winston Spadafora: "Mr Reagan: Defender of Democracies or Protector of Dictatorships?"]

[Text] Upon reading the article by Seymour M. Hersh, published on 12 June in the prestigious U.S. newspaper THE NEW YORK TIMES, which reported serious accusations leveled by U.S. officials against General Manual A. Noriega, my first reaction was amazement, anger, and impotence, all at once. Upon rereading the article and thinking it over, I felt a deep personal satisfaction at having acted calmly during the very delicate hours we experienced during our family's tragedies, which were unleashed with the brutal and cowardly murder of our brother Hugo.

We were always sure that the truth would emerge sooner or later, with or without a special investigation commission, which the civilians as well as the military in power today have so stubbornly denied us.

Given the seriousness and the prestige of the source of information, and given the manner in which justice has been denied us in our brother Hugo's case, we cannot refrain from publicly accusing Gen Manuel A. Noriega of murdering our brother Hugo Spadafora -- an accusation we abstained from making because we lacked sufficient proof. This accusation forces us to demand for the nth time that the National Legislative Council and Eric A. Delvalle's government name a special investigations commission to make an inquiry into the death of Dr Hugo Spadafora, as established by our Constitution in Article 216.

The serious accusations of drug trafficking, corruption, the murder of Dr Hugo Spadafora, the laundering of dirty money, arms trafficking, and spying for Cuba and Nicaragua made directly by U.S. CIA officials, by the Drug Department [as published], the Customs Department, and the Pentagon Intelligence Agency [as publshed] against Gen Noriega, leads us to other considerations, such as the following: How is it possible that the Reagan administration, aware for some time of the reports published today by THE NEW YORK TIMES, has protected and continues to protect the Panamanian military dictatorship, considering that only a few days ago Vice President Bush said on U.S. television that drug trafficking is a national security affair? How is it possible that after boasting about the Haitian and Philippines cases, the Reagan administration continues aiding the Panamanian military dictatorship so that it can continue violating Panamanians' human rights (the right to life, the right to freedom of expression, etc.)?

In all civilized countries on earth respective penal legislation regards concealing information as a crime. I ask myself how morally responsible President Reagan is for having concealed the information we have today regarding the murder of our brother, especially when the United Nations Universal Declaration of Human Rights knows no barriers for reporting and condemning such violations.

There is nothing to justify the Reagan administration's attitude toward the Panamanian military dictatorship, not even the traditional U.S. fear of the political void that usually follows the fall of a military dictatorship, a fear -- why not say it? -- that has contributed to the creation of the Panamanian opposition political parties because it has not presented a strategy that would lead to a democratic solution in Panama. These political parties and no one else will inherit political power, with the obligation to restructure the new Panamanian democracy.

Legislator Urges Probe

PA150436 Panama City EXTRA in Spanish 14 Jun 86 p 1

[Text] Authentic Panamenist Party Legislator Francisco Artola has told EXTRA that next week the Legislative Assembly could discuss the charges which U.S. officials have made against General Manuel Antonio Noeiega, commander in chief of the Panamanian Defense Forces, regarding drug and arms trafficking, espionage activities, and the murder of Hugo Spadafora.

"I feel that the minister of government and justice, Gen Noriega's immediate superior, should be summoned to respond to the charges levied against the top military chief. This is such a delicate matter for our country; it cannot go unnoticed at this point ...and that is what we will do should the progovernment majority bloc allow us to clarify this whole thing".

Later the opposition legislator noted that the commander in chief of the Defense Forces must leave his post while the charges against him are being investigated.

"If he feels he is innocent, he should make that decision. That way he would adopt a neutral stance in order to be investigated...he should automatically leave his post. Above everything else, he would be showing his respect for civilian rules and that there is justice, democracy, and a desire to do things right here in Panama. That is what is best for him," Francisco Artola said.

The legislator from Bocas del Toeo Province also said that the charges against Noriega are a discredit to Panama. "We must try to reverse our negative image abroad. The only way to achieve that is to conduct an exhaustive investigation...because it would seem as if all the reports that have appeared on the matter have some truth to them."

CONATO Leader: Charges 'Lies'

PA150118 Panama City LA PRENSA in Spanish 14 Jun 86 p 1

[By Flor Quintero]

[Excerpts] Asked about the matter by LA PRENSA, Isthmian Workers' Federation [Federacion Istmena de Trabajadores] leader Rolando Ordonez described as "lies" the serious charges of criminal actions by Defense Forces Commander General Manuel Antonio Noriega which were published on 12 June by the influential U.S. newspaper THE NEW YORK TIMES.

Ordonez, leader of the National Council of Workers, Conato, also said that the publication of the charges responds to a U.S. campaign and strategy aimed at thwarting the final objective of the Torrijos-Carter Treaties, namely handing over total administration of the Canal to Panama on 31 December 1999.

Ordonez added: "We are concerned about this at Conato because we already have many political problems in the country. This situation makes matters more difficult because we have no definite plan to solve our domestic problems. The Panamanian Government must seek ways to clarify this situation, because the charges have been well publicized. If the United States has proof of this, it should be more convincing, in the interest of peace in this country."

DELVALLE CONFIRMS SUPPORT FOR ABADIA

PA121422 Panama City MATUTINO in Spanish 12 Jun 86 p 1

[Communique issued by the Press Secretariat of the Panamanian Presidency; dated 11 June]

[Text] In relation to reports published in the media during the past few days on statements by several legislators, the Press Secretariat of the Presidency of the Republic informs the public that:

1. The president of the Republic confirms his absolute and total support for the efforts of Foreign Minister Jorge Abadia Arias;

2. The president of the Republic reaffirms that he is not considering making changes in his cabinet.

Guillermo Antonio Adames

Press secretary of the Presidency of the Republic of Panama

Panama, 11 Jun 1986

PERU'S WAGNER THANKS ABADIA FOR HOSPITALITY

PA131726 Panama City LA ESTRELLA DE PANAMA in Spanish 13 Jun 86 p E 13

[Press release issued by the Peruvian Embassy in Panama City on 11 June 1986]

[Text] After taking part in the meeting of the foreign ministers of the Contadora Group, Support Group, and Central America in Panama, Peruvian Foreign Minister Alan Wagner Tizon, accompanied by his wife, remained in Panama on 8 and 9 June as official guests of the Panamanian Government.

During his brief and pleasant stay, Foreign Minister Wagner met with Panamanian President Eric Arturo Delvalle, with the president of the Legislative Assembly, and with his counterpart, Foreign Minister Jorge Abadia Arias, with whom he discussed bilateral and multilateral topics, underscoring those that appear in a Joint Declaration signed in Lima on 16 May.

They agreed to promote mechanisms to facilitate trade between the two countries by creating a joint commission to define areas of cooperation in the technical, cultural, financial, and service areas.

The Peruvian foreign minister wishes to express to Panamanian Foreign Minister Jorge Abadia Arias his appreciation for his warm hospitality and the commendable permanent coordination which Jorge Abadia Arias has extended to the American foreign ministers who came to this hospitable country to strengthen the Contadora process and to help keep alive Latin America's faith in its destiny of democratic peace and brotherhood.

Panama, 11 June 1986

Javier Ortiz de Aevallos

Peruvian ambassador

COSTA RICA

GARRON NOTES RESULTS OF VISIT TO TAIWAN

PA132011 San Jose Radio Reloj in Spanish 1200 GMT 13 Jun 86

[Excerpt] Referring to her visit to the Republic of China, Second Vice President Victoria Garron de Dorian has said that it opened paths to discuss education, housing, exports, and cultural opportunities. She said that she talked with ministers of various areas to discuss the possibility of aid from that government in the fields already mentioned. She visited several organizations and projects in order to learn about the country's progress in education, housing, culture, and other areas. She said that Costa Rica has a great potential for increasing exports to the Republic of China. She discussed this matter with the Republic of China's foreign minister, who said that relations must be improved in that aspect, and that to do this, Costa Rica must understand the sense of these relations as far as imports and exports are concerned. She added that to achieve this, a common effort was needed in order to overcome existing obstacles.

ARIAS, WIFE UNHURT IN TRAFFIC ACCIDENT

PA140422 Panama City ACAN in Spanish 0408 GMT 14 Jun 86

[Excerpts] San Jose, 13 Jun (ACAN-EFE) -- President Oscar Arias Sanchez suffered a traffic accident in his home town, Heredia, while riding in a private vehicle and without an escort. President Arias and his wife Margarita emerged unharmed when their vehicle collided with a public service bus. The two vehicles collided head-on when the presidential couple was leaving the National Autonomous University, where they had attended a civic event. According to the bus driver, the collision occurred because the president's vehicle disregarded a traffic signal indicating that it should yield right of way.

EL SALVADOR

DUARTE COMMENTS ON PREPARATIONS FOR TALKS

PA130403 Madrid EFE in Spanish 0318 GMT 13 Jun 86

[Text] San Salvador, 12 Jun (EFE) -- President Jose Napoleon Duarte today said that the dialogue between his government and the leftist guerrillas is being "zealously" prepared. The president said that "we are working and trying to advance in the preparations, the ideas, and the spirit that must prevail in the search for peace."

"Obviously," the president said, 'the dialogue is difficult. We must not forget the positions adopted by those who are up in arms, their refusal to accept democracy, the constitution, the government, and their refusal to lay down their weapons." However, Duarte said that "these positions are not discouraging because we know that it is necessary to promote the dialogue."

Even though the president met yesterday with his advisers to work on the details of the meeting. Duarte said that it has not yet been decided whether the meeting will be held in San Salvador. The third round of talks between the government and the guerrillas was proposed by Duarte's administration on 1 June and accepted by the rebels with the only condition that it be held "at the highest level and in El Salvador."

Msgr Rivera on Dialogue

PA160300 San Salvador La Voz Panamericana in Spanish 1400 GMT 15 Jun 86

[Sunday homily by Archbishop Msgr Arturo Rivera y Damas at the Metropolitan Cathedral in San Salvador — live]

[Excerpts] Despite the rebel radio's tantrums, we have spent a great deal of our energy placing the first stones in the bridge of dialogue which we must cross in order to reach the river bank of peace. [applause] Despite the attacks against us, we have worked in peace for the sake of peace. [applause] Different signs of solidarity, many of them from abroad, as the one from the [word indistinct] justice and peace, and International Caritas organizations, have heartened us in our endeavor. [applause]

This Wednesday our preparations for the third round of talks took us to the Presidential Palace. I came accompanied by my auxiliary bishop, my closest aide in this task. We talked with President Jose Napoleon Duarte. I also tried to schedule a meeting with delegates from the fronts for this weekend. However, my request was not made duly ahead of time. For that reason the meeting did not take place. However, we will meet in the upcoming days. [applause] Based on the result of my contacts with the two sides, I will be able to decide which are the minimum requirements for holding the third series of talks. [Words indistinct] success at all cost.

According to Msgr Emil Stehle, who met with delegates of the FMLN-FDR and met with us today, the fronts are still accepting the church's mediation. We know that in this service we at times will incur the wrath of one side or the other. Every sacrifice will be small for the sake of the peace which our people long for. [applause] The social [word indistinct] and the different manifestations of the lack of peace, must constitute a challenge to the artisans of peace, that is, to show that works of love fall within the purview of our Christian faith. [applause] This task becomes all the more urgent when life is so cynically attacked. This happened this week, when Professor Jesus Dolores Ortiz, a PDC deputy, was killed.

If all murders are to be condemned, it is all the worse when the victim is a servant of the fatherland freely elected by the people. We join all his relatives in prayer. Another condemnable murder is that of Cayetano Morales Vasquez, a young student at the Divine Savior school. His death is blamed on an attack by the Mexicanos Municipal police. With only a pastor's love, I pray for the 36 Salvadoran brothers who died during insurgency and counterinsurgency military operations, that is, 32 alleged guerrillas and 4 soldiers. In addition, we keep in mind those brothers who are imprisoned in the state jails or in guerrilla camps. I cannot avoid mentioning that according to a statement by the jailed persons who belonged to humanitarian organizations, they were not only morally coerced to confess, but they were also the victims of sophisticated coercion to sign declarations without knowing their content. All of this is more [word indistinct] to continue striving for a quick end to the war, and to consolidate everything that will enable Salvadorans to live and act according to their dignity as men, and most of all, according to their dignity as children of God. Amen. [applause]

DEPUTY FOR CABANAS DEPARTMENT MURDERED

PA131559 San Salvador Radio Cadena YSKL in Spanish 1515 GMT 13 Jun 86

[Text] YSKL friends, this is a last-minute report given by spokesmen of the Salvadoran Christian Democratic Party in which they tell us that Jesus Dolores Ortiz, deputy for the Cabanas Department, was machinegunned at 0750 today. We repeat: This morning at 0750, Jesus Dolores Ortiz, deputy for the Cabanas Department, was machinegunned in the Santa Lucia area, Ilopango. After the attack, Ortiz was taken to the Salvadoran Polyclinic where his death was confirmed. We repeat: A while ago, Jesus Dolores Ortiz, deputy for the Cabanas Department was machinegunned and taken to the Salvadoran Polyclinic where his death was confirmed. This is the end of the report, and later we will be giving you more details on this incident.

GUATEMALA

GOVERNMENT ANNOUNCES PLAN TO COMBAT VIOLENCE

PA140356 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 13 Jun 86

[Text] The Government Ministry today announced an emergency plan to combat violence throughout the country. National Police Director Ruben Suichili Pay today said that the organization will soon have 900 more members.

[Begin Suichili recording] We know violence has increased over the past few days. The national police, however, are preparing to combat it effectively. We are about to acquire 75 used vehicles from various government agencies and we will use them only in patrols. Several of these vehicles will soon arrive in Guatemala. As soon as we get them, we will have them patrol the capital city, where crime has increased in the past few days. In addition, the government will authorize us to increase the number of policemen by possibly 800. With certain adjustments we have been making, we will have more than 1,000 men out to patrol the streets. In this way, we will try to hit crime on its head, so to speak. [end recording]

GUERRILLAS LOOT STORES IN SAN FRANCISCO, PETEN

PA141908 Guatemala City PRENSA LIBRE in Spanish 13 Jun 86 p 18

[Text] San Francisco, Peten -- The residents of this town are living in fear after groups dressed in olive green looted several business in the main plaza, according to reports issued here by Army spokesmen. The sources stated that the Armed Forces have established strict vigilance in this municipality at the request of the residents, who have many problems caused by the continous guerrilla attacks.

The Army said that on Friday, 6 June, numerous rebels came to this town to obtain supplies. The military spokesman added that the terrorists forced the townspeople to gather for a meeting against the democratic government, destroyed work being carried out by the FYDEP [National Enterprise for the Economic Promotion and Development of El Peten] and set one of its vehicles on fire. On Saturday, 7 June, another insurgent group set up a roadblock on the road from here to San Benito. This tactic is employed by rebels in order to carry out meetings and rob travelers.

Captain Juan Fernando Cifuentes Herrera, Army chief of press and information, told PRENSA LIBRE: "It is not true that there has been an increase in political violence in the jungle areas of Peten Department." He emphasized: There are small groups that move around rather easily as a result of the thick bush typical of the Guatemalan northern region. The Army, however, will continue pursuing them until they are wiped out, as has been the case in several departments.

ESCUINTLA PDC LEADER RAMOS SHOT TO DEATH

PA141924 Panama City ACAN in Spanish 1600 GMT 14 Jun 86

[Text] Guatemala City, 14 Jun (ACAN-EFE) -- Police reported today that a local leader of the ruling Christian Democratic Party [PDC] was shot to death in a village of southern Guatemala. Victor Ramirez Ramos, who was 50 year old, was a councilman and a leader of PDC intermediate cadres in Nueva Concepcion, Escuintla Department, 147 km south of this capital. According to the police report, he was murdered by several unidentified men who went to his house last night. The authorities are certain that this crime was not political because the assailants took 12,000 quetzals ($4,000).

The national police have reinforced vigilance in that town, which has been rocked by common crime in the past few days. A group of armed men killed six people inside a cafeteria last week. Municipal authorities are demanding greater control and more efficient investigation from the government in order to solve this crime.

FUN OFFICIAL SHOT, WOUNDED IN GUATEMALA CITY

PA150257 Panama City ACAN in Spanish 1725 GMT 14 Jun 86

[Excerpt] Guatemala City, 14 Jun (ACAN-EFE) -- The treasurer of Guatemala's rightist National Unity Front [FUN] was shot and seriously wounded, the police reported today. Beltran Pineda Garcia was attacked in south Guatemala City when several men unexpectedly came into this transportation company. Several of Pineda Garcia's employees assisted him, and later municipal firemen took him to a private hospital. "His condition is extremely delicate," police authorities confirmed.

The FUN's top leadership held an urgent meeting to analyze the situation and demanded that the Government investigate the attack. FUN Secretary General Gabriel Giron Ortiz said: "it is regrettable that violence continues hurting the country, while the government authorities do not find the means to counter it." He added: "I demand that the government protect the nation's deomestic security, because speeches and deceitful promises will not end the violence or the crisis which the country is expiriencing."

GAM REFUSES TO TESTIFY FOR FEAR OF REPRISALS

PA140355 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 13 Jun 86

[Excerpts] The members of the Mutual Support Group, GAM, will not appear in court to testify on cases of missing or kidnapped people, whose whereabouts they demand from the government, for fear of reprisals, GAM leaders said today. The group's most important leader, Linnette Montenegro de Garcia, has said that judicial authorities have been pressuring the missing people's relatives into testifying. She insisted that the government should accept the formation of a commission to investigate the whereabout of the missing people.

She also cited Congress President Alfonso Cabrera as having said that a decree issued by the Mejia Victories government granting amnesty to military men presumably involved in actions related to the disappearance or kidnapping of Guatemalan citizens is unconstitutional.

CEREZO CANCELS MEETINGS DUE TO ILLNESS

PA131929 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 13 Jun 86

[Text] According to government sources, President Vinicio Cerezo has canceled all his audiences scheduled for today because he is sick. Cerezo has the flue and stomach problems. It was said that he was also suffering nervous disorders. President Cerezo also canceled regular private activities such as his karate classes. It was learned that President Cerezo will continue resting over the weekend and that he will resume his functions on Monday, depending on the improvement he shows.

QUINONEZ CONFIRMS C.A. VICE PRESIDENTS MEETING

PA140427 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 13 Jun 86

[Text] Foreign Minister Mario Rafael Quinonez Amezquita has said that a meeting of Central American vice presidents has been slated for the end of this month in Guatemala. He added that the analysis of the formation of the planned Central American parliament will almost surely be completed. He said, however, that he has no information of where this meeting will take place because Guatemalan Vice President Roberto Carpio Nicolle is in charge of the meeting's organization.

VICE PRESIDENT CARPIO NICOLLE VISITS FRG

PA141722 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 14 Jun 86

[Text] FRG circles have shown special interest in the presidents' summit meeting in Esquipulas and in the Central American parliament, Vice President Roberto Carpio Nicolle reported. He refered to the interrest shown by FRG and international news agencies in these subjects. Carpio Nicolle told them that these political forums can help to attain peace. He added that each day President Vinicio Cerezo's proposal gains more support from the Central American countries. This does not mean, he explained, that the Contadora Group and the Support Group are going to disappear. On the contrary, they can contribute with new and additional formulas to try to restore peace in Central America.

Vice President Carpio Nicolle also said that President Cerezo's government is determined to promote the process of democratization and to establish the political, social, economic and technological foundations that are necessary to make it possible. However, he added, our plans cannot come true without the support of friendly countries which we need to counterbalance the critical condition in which we received the government.

The FRG Government and people's support has been generously proven by substantial technical and financial cooperation. Vice President Carpio Nicolle met with other high FRG Government officials who expressed their friendship for our country.

HONDURAS

GOVERNMENT REJECTS CONTADORA PEACE PLAN

PA140300 Paris AFP in Spanish 0220 GMT 14 Jun 86

[Text] Tegucigalpa, 13 May (AFP) -- The Honduran Government today rejected the latest peace plan submitted by Contadora because "it does not establish sufficient reasonable obligations to guarantee its security." In a brief communique released tonight by the Foreign Ministry, the government reiterated "its desire to continue exploring new formulas that effectively guarantee the legitimate interests of all the countries." It added that the Governments of Honduras, Guatemala, El Salvador, and Costa Rica fully agree with the United States that the peace plan "does not make possible the verification of the reduction of the arms race, troops, and foreign military advisers," one of the obstacles of the negotiations.

The communique also says that during the 6 June meeting in Panama Contadora stated that "the group was the end of its mediating efforts in the main aspects of the plan, and that it would cooperate in the negotiation of the operational aspects." It also reiterated Honduras' willingness "to contribute to the internal peace and national reconciliation of some states and the consolidation of democracy in Central America."

ARMED FORCES TO INVESTIGATE U.S. CHARGES

PA141408 Tegucigalpa Cadena Audio Visual in Spanish 1158 GMT 14 Jun 86

[Text] President Jose Azcona has announced that the Armed Forces will investigate the charges made by the U.S. Congress to the effect that Honduran Army officers received money from the counterrevolutionaries. The president said that for the time being he cannot make any statement, but he pointed out that there are bound to be some dishonest persons in the Armed Forces, just as in any other Honduran sector. Our reporter Danilo Altunez has the following report:

[Begin recording] [Altunez] The Armed Forces will investigate the charges made by the U.S. Congress to the effect that Honduran Army officers received money from the Nicaraguan counterrevolutionaries in exchange for allowing them to operate freely in Honduran territory. President Jose Azcona has met with the commander in chief of the Armed Forces, General Humberto Regalado Hernandez, and later made the following statement to Radio America.

[Azcona] Yesterday I discussed this topic with the commander in chief of the Armed Forces, and they will investigate the matter, because this might be something planned to block aid to the contras. We do not want to get involved in the internal affairs of the United States which is playing with both sides. [as heard] I don't think I can say anything more at this time.

[Altunez] Do you think there are Armed Forces officers that would take money from the contras?

[Azcona] No, I do not think that. However, there are bound to be some dishonest persons in the Armed Forces, just as there might be in any other Honduran sector. The same might happen with engineers; not all engineers are honest. Not all doctors are honest. There are always some persons bound to be dishonest. However, we cannot generalize on any sector.

[Altunez] Now, if these charges are proven to be true, what will your administration do?

[Azcona] We have always said we will be firm with any person involved in a dishonest situation. However, I do not want to discuss this subject anymore because I do not have any official reports on these charges.

[Altunez] It is said that the counterrevolutionaries control a large strip of Honduran territory, which they call the new Nicaragua. What do you think about that?

[Azcona] I do not wish to discuss the matter anymore. I have already clearly explained our stand to this effect. I think that too much is being said about this issue. I have already explained my stand and the Armed Forces of Honduras have also explained theirs.

[Altunez] These were statements by President Jose Azcona. [end recording]

GEN LOPEZ REYES DENIES CHARGES BY U.S. OFFICIALS

Issues Statement

PA131659 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 13 Jun 86

[Statement issued and read by General Walter Lopez Reyes, former commander in chief of the Honduran Armed Forces; date and place not given -- recorded]

[Text] In response to reports by various prestigious Honduran radio networks on statemets reportedly made by a member of the U.S. Senate [as heard] and carried by various U.S. media, I inform the Honduran people of the following:

1. There is a generalized assumption at the international level -- which the U.S. Government has not denied -- on who has served as the coordinator of the Nicaraguan counterrevolution in Central America.

2. Neither in my capacity as a common citizen or commander in chief of the Honduran Armed Forces have I ever been directly or indirectly involved in the Nicaraguan counterrevolution's political and military plans.

3. A member of the U.S. Senate has issued brash statements that taint the honor of foreign officials, based on reports obtained from a covert political and military plan.

4. It is unfortunate that various members of the U.S. Senate -- based on the reports that are available to them -- have no qualms about comprimising the prestige and honor of positions that represent the people, in order to benefit a domestic political battle linked to U.S. foreign policy in Central America. In their efforts to advance petty party interests they have not hestitated to raise questions about the image and honor of foreign officials, based on presumed secret reports issued on a covert political and military plan of the U.S. Government.

5. I harbor no doubt that the pertinent U.S. authorities, in compliance with their ethical responsibilities, will clear the charges made against me.

6. In view of the above, and on account of these reports attributed to a member of the U.S. Senate, which apparently strive to discredit me and my untainted record as an honest officer in the Honduran Armed Forces, I expressly reserve the right to demand compensation for slander and false accusations in accordance with the U.S. laws.

7. To the Honduran people I reaffirm my loyalty and devotion and my unfaltering efforts to continue struggling to benefit the national interests. I will never betray the trust the Honduran people have placed in me. I will never compromise my honor or honesty for material gains or to advance causes other than those of Honduras.

Television Interview

PA132226 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 13 Jun 86

[Text] General Walter Lopez Reyes has been accused in the United States of receiving $450,000 of the funds destined for the Nicaraguan contras so that he would permit their operations in our territory. Some U.S. media, particularly NBC and ABC and THE WASHINGTON POST and THE NEW YORK TIMES, have clearly shown their leftist tendencies, manipulating any information that will favor the Nicaraguan Government. Lopez Reyes was always known for his honesty and respect for the Honduran laws and therefore had the Honduran people's confidence at the time he left his post, something which had never occurred in Honduras before. In the case of the contras, he always opposed any Honduran commitment in supporting the activities carried out during General Alvarez Martinez' days. Here is an interview with Gen Lopez regarding those reports:

[Begin recording] [Lopez] I definitely have many things to say. However, I will begin by saying that I categorically deny the NBC reports. The reports affirm that I have received $450,000. As I have said on previous occasions, I have never had any contacts with those kind [not further identified] of people. Our contacts have always been at the presidential and National Security Council levels to discuss our domestic and foreign policy matters. I definitely believe that the U.S. reports stating that I have received that sum are absurd. I say that they are absurd, because the Honduran people know me, and furthermore, the Pentagon itself knows very well my position regarding the Honduran and Central American problems.

I have clearly said that many gross errors are impairing the democratic systems. If we analyze what is happening we will see that those of us who consider ourselves democratic are fighting among ourselves. It is a confrontation among those of us who strongly and faithfully defend the ideals we have inherited from our forefathers. In my opinion, there is definitely a great confusion within the United States. The domestic struggle between the Democrats and Republicans is making our small territories appear like a land plagued with corrupt people. We believe that corruption is everywhere, and we are fighting against it. However,, at this time, in conducting a policy aimed at overthrowing a Marxist government such as the Nicaraguan Government, the dignity of a nation and my honor are being dragged along. In the future there will possibly be attempts to tarnish the honor of other Honduran citizens. Therefore, I believe that this is the right time for us to resolve this situation. We must ask the U.S. Government with dignity and firmness why it permits members of the U.S. Senate [as heard] to offend us and defame us without having any evidence in our country. The reports have simply been sent to the world -- because I believe that by now the reports have gone around the world -- however, I trust that in the same manner, in the future and as soon as possible, it will be clarified that all those reports, at least in my particular case, are totally false.

[Unidentified reporter] What do you think is the real reason for this -- I am talking about the confrontation between parties -- do you think it is a personal campaign against you or that you are only a victim?

[Lopez] I would say both. The fact is that President Reagan at this time is going to request aid for the counterrevolutionary groups. The Democrats are opposed to that and have harmed our prestige in a domestic debate within the United States. Logically, this can have very grave consequences because my case is not the only one at this time. I am currently separated from the Armed Forces, but even so, I am on furlough. I believe I owe an explanation to the Honduran people, which I will provide. I will be sending you a copy this afternoon and I would appreciate your reading it. I reserve my right to sue [U.S. Congressman Michael] Barnes -- if he in fact made those slanderous accusations -- as I am entitled to do so under U.S. laws. Definitely, it must be proven that I have specfically received those sums of money.

[Reporter] [Words indistinct] reports state and charge that the Honduran Army received more than $700,000, which was diverted from the U.S. aid for the counterrevolutionary groups. In this sense, as you have been a (?loyal) chief of the Honduran Armed Forces, we would like to hear your opinion on this.

[Lopez] Yes, two dates have been mentioned, which are November [1985] -- and January of this year. As I have always said, I do not administer U.S. funds. The humanitarian aid must supposedly be sent through other channels. At no time have the Armed Forces or myself handled the U.S. funds being sent to the counterrevolutionary groups in the Central American area. Therefore, I am surprised at the assertion that I have received $450,000. However, in view of the fact that we are making this statement through this news medium, I hope it will reach Barnes and the U.S. Government today as I will be waiting for the evidence that I received that money. In addition, as I have categorically said, I reserve the right to file the pertinent suit.

[Reporter] General Lopez, according to some sectors, Honduras has not been paid well by the United States for its sincere friendship. Do you think that the United States has not been sincere and that Honduras should review the relations between our country and the great nation in the north?

[Lopez] At this time I would say that the peoples do understand each other. There has been a traditional friendship between the Honduran and U.S. peoples, as well as between Honduras and other countries, and relations have been maintained not only in the economic field, but in other areas as well. However, what seems to be creating confusion in the two countries is the kind of politics practiced and the politicians who are handling this situation. They are the ones who are not loyal to each other, and perhaps they are not loyal toward us either. However, I must again stress that differences in U.S. domestic policy between the Democrats and Republicans are endangering the U.S. foreign policy because logically, they are harming our country's interests. Concerning a revision of the Honduran-U.S. relations, I believe that this has been discussed at higher levels. We do not believe that there is any friction between the two countries, but that certain individuals are causing these disagreements. In other words, a few Democratic congressmen who are looking forward to the next elections and are trying to prevent Reagan's policy from attaining a relative success in the Central American area, are making the mistake of bringing scandals to the U.S. Congress and Senate [as heard], which harm us in one way or another. Therefore, what we Hondurans should do is to look after our national interests first, which should prevail. We must defend our interests as a nation at any price, and we must not accept the imposition of norms or policies that will harm in one way or another our national interests in the future.

[Reporter] One last question, Gen Lopez. What specifically is your explanation to the Honduran people? When you left the Armed Forces you left through the front door. In reality, you managed to win the sympathy of the Honduran people in a short time, as you were one of the men who handled part of our country's policy, at least the military policy. And since you have many followers and friends, there is some confusion. Again, what is your message [words indistinct]?

[Lopez] Yes. First of all I would ask them to trust me as I am refuting and denying all the reports that have been published abroad. I also ask them to have faith in our current democratic system, which we will continue to improve. However, this must be done by us, Hondurans. We should not follow the patterns of other countries or copy what other countries do. We can copy the good and positive things, but we must remember that we have our own idiosyncrasies, and that our cultural, educational, moral, ethical, and historical background is different from that of other countries. We must have confidence in our armed institution, trusting that it will defend Honduran interests with honor.

Concerning the foreign policy conducted by the president, the Foreign Secretariat, and its advisers, we must collaborate with them, in the sense that Honduras is not just another nation. Honduras is ours, and it is our duty as Hondurans to defend our nation. We cannot kneel down asking for help elsewhere. We must defend our territorial integrity, and we must all support all those actions that benefit the Honduran society in general. In the future, and I believe it will be very soon, I will demand clarifications -- which I consider necessary -- from the United States, as that is where the charges were made. [end recording]

NICARAGUA

FURTHER ON RELEASE OF FRG VOLUNTEER WORKERS

Wischnewski Issues Statement

PA130428 Managua International Service in Spanish 2300 GMT 12 Jun 86

[Text] The mercenaries who kidnapped eight FRG volunteers and held them hostage for 24 days issued new demands hours before releasing them but eventually discarded these demands because they had no other alternative. This information was released in a statement issued by FRG Social Democratic politician Hans-Juergen Wischnewski during a news conference at the FRG Embassy in Managua. Wischnewski added that the counterrevolutionaries decided to release the FRG citizens given the great international pressure which was being exerted against this terrorist action.

UNO-FDN Communique

PA130435 Tegucigalpa EL HERALDO in Spanish 12 Jun 86 p 35

[Paid advertisement of a communique released by the Nicaraguan Opposition Unity and FDN, dated 10 June]

[Text] The Nicaraguan Opposition Unity-Nicaraguan Democratic Force (UNO-FDN) reports to the Nicaraguan people and the international public:

1. The eight German prisoners, "internationalists" and collaborators of the Sandinist totalitarian dictatorship, were released in Nicaragua today. These men were captured in a war zone by UNO-FDN commandos on 17 May.

2. The release was executed, in accordance with the plan agreed upon with FRG representatives, at Presadillas, Zelaya Department, 15 km from El Rama port, on the Managua-Rama highway. At 1800, the prisoners were released at the Evangelical Church as witnessed by 22 civilians and religious men without the mediation or intervention of the Sandinist government.

The prisoners were delivered by members of the "Jorge Zalazar" Regional Command No 2, headed by "Commander Franklin." The Germans had been captured by commandos of the "Hermenegildo Gonzalez" task force headed by "Commander David," who died heroically during the operation against the Sandinist Army. Presadillas is about 200 km from Managua.

UNO-FDN was constantly moved by the loftiest humanitarian spirit, as well as by prudence and sensitivity and made no demands as usually made by terrorist movements sponsored by international communism, save for those minimal conditions that guaranteed the prisoners' safety and that of the UNO-FDN patrols in charge of holding them.

3. UNO-FDN again reports the Castro-Soviet Sandinist dictatorship's systematic leaning toward deception and treason. The regime at all times tried to hinder the humanitarian delivery of the prisoners, criminally endangering their lives by following instructions issued by their masters from Moscow, Havana, and Tripoli. This irresponsible stance constitutes an unspeakable mockery of the FRG Government because of the Sandinists' rejection of the terms of the first and unsuccessful delivery of 6 June. This was followed by a treacherous mass attack by its army against the position that had been reported for the delivery.

4. As a representative and belligerent force of the Nicaraguan democratic resistance, UNO-FDN respectfully warns democratic governments against the serious danger that their citizens may risk by collaborating with the Marxist-Leninist regime of Managua in war zones where a bloody and grievous civil war is being waged for a nationalist liberation.

5. UNO-FDN wishes to reiterate its acknowledgement of the freedom fighters' characteristic courage, discipline, and patriotism. They offered their humanitarian assistance, protection, and security to the German prisoners with heroic sacrifice and taking considerable risk considering the Sandinists' relentless persecution. Enrique Bermudez, "Commander 380," chief of the UNO-FDN strategic command, was in constant communication with the task force that executed this operation and the thousands of freedom commandos who fight throughout Nicaraguan territory.

6. UNO-FDN acknowledges FRG Government representatives Dr Michael Jansen, chief of cabinet of the FRG Foreign Ministry and special ambassador; Josef Thesing, director of the Konrad Adenauer Foundation; Gerold Dieke, leader of the government coalition on behalf of the Liberal Party [as published]; Eckehard Schober, FRG ambassador to Tegucigalpa, as people of good faith, sound judgement, and respect who understood our willingness and good intentions in all this process, contributing -- together with the UNO-FDN negotiators -- toward a feasible solution for the conclusion of this event.

10 June 1986

Frank Arana Icaza, UNO communications center

Foreigners Warned

PA151922 Panama City ACAN in Spanish 1712 GMT 15 Jun 86

[By German Reyes]

[Excerpt] Tegucigalpa, 15 Jun (ACAN-EFE) -- The anti-Sandinist FDN warned today that its fighters will not be responsible for what might happen to foreigners who, "disguised as volunteer workers," fight alongside the Sandinist Army. Indalecio Rodriguez, member of the FDN National Directorate, said that the "freedom commandos can make no distinction among the many armed internationalists who are fighting on the side of the Managua Government." Rodriguez said that the eight German volunteer workers who were held prisoner for 25 days were released for humanitarian reasons and the respect that "the only democratic guerrilla movement in Latin America" has for others.

"Germans, Libyans, Bulgarians, Soviets, Cubans and every other nationality is hereby warned that our fighters will make no distinction because our struggle is to rescue Nicaragua from the hands of the terrorists who are now governing," Indalecio Rodriguez said. The FDN explained through its spokesman that it has never caused any innocent victims in its search for international solidarity, "contrary to what the terrorists governing in Managua did in the past." According to Rodriguez, the FDN fighters have carefully selected their military objectives and for this reason their actions "have not provoked big tragedies in Nicaragua."

The rebel leader said that the war is spreading throughout Nicaragua and that while it is true that the fighting right now is taking place in the country's interior, soon it will take place in the most important cities, including the capital, Managua.

The internationalists who are fighting in Nicaragua should go back to their respective countries to campaign "in favor of those who at this moment represent the defense of Western values and principles," Rodriguez said. "In Nicaragua," he added, "the internationalists are in barracks, involved in campaigns, and doing work that only serves to persecute and exploit the people and that contributes to the consolidation of the Sandinist regime at the service of international terrorism."

VICE PRESIDENT RAMIREZ, DELEGATION VISIT ALGERIA

For Algiers Domestic coverage of the visit by Vice President Sergio Ramirez Mercado and the accompanying delegation, including talks with Algerian President Chadli Bendjedid and the minister of foreign trade, see the North Africa section of the 16 June Middle East & Africa DAILY REPORT and subsequent issues.

BRIEFS

NEW TELECOMMUNICATIONS CHIEF -- Guerrilla Commander Leopoldo Rivas has been appointed director of the Nicaraguan Telecommunications and Postal Services. He replaces Jose Maria Alvarado, who resigned. Rivas, who is one of the youngest FSLN commanders, has been deputy defense minister for several years. [Summary] [Managua LA PRENSA in Spanish 12 Jun 86 pp 1, 8 PA]

CASTRO SPEAKS AT CLOSING OF HEALTH SEMINAR

FL131642 Havana Tele-Rebelde Network in Spanish 1210 GMT 13 Jun 86

["Excerpts" of speech by President Fidel Castro at the closing ceremony of the international seminar on primary health care at Havana's Palace of Conventions on 12 June -- recorded]

[Text] [Begin Castro recording] There are some essential things I want to say. For example: We are far from imagining, supposing, or believing that our health care system is perfect or that we are doing our very best. We are very conscious of our shortcomings, our weaknesses in public health care work. Hardly a day goes by without our reviewing some detail or problem in a constant struggle to improve our health services and the care we give the people, with our ears alert to any complaint, to any dissatisfaction of our people. The Cuban people are better and better trained, better educated, more and more cultured, and, I must say, more and more demanding. [end recording]

This international seminar made it possible for foreign specialists to become acquainted with the Cuban experiment known as the family doctor program, which they praised highly, recognizing it as a key element in primary health care toi make real the challenge to humanity contained in the expression "health for everyone."

[Begin recording] I want to say also that we have almost 20,000 physical education and sports teachers, trained by the revolution -- almost 20,000 -- and several thousand of them are at the college level. Without a doubt, the medical specialty of sports medicine will appear or already exists, with dictors who are experts in physical education matters. The polyclinics may have a new specialist, an expert on physical exercise, especially if we bear in mind the importance that preventive medicine or the promotion of health should have. In the light of this seminar and our experience, there can be no doubt that preventive medicine or the promotion of health is fundamental to medical care services and public health in Cuba. Therapeutics must not be forgotten, because problems come up that no one can foresee or prevent. Cancer can be predicted to an important degree, but no one can say that 100 percent can be foreseen. Cancer problems will always come up.

What we have to do is perform more research and develop curative measures. Heart problems will come up more and more frequently as a consequence of the development of society and the prolongation of the life span. Circulation problems, in short all kinds of problems will come up. People have to die of something, some day. We can try to fill life with beauty and happiness and everything else, but it would be utopian to attempt to make human beings immortal. It is said that our biological potential is 120 years; some even say it is 160 years. And the bible speaks of Methuselah, who is said to have lived 800 years. [laughter, applause] But there is no legent about a person who lived 1,000 years or was immortal. People will have to die of something.

Studies have been made on the influence of exercise. We saw a few reports recently, on geriatric studies that show that exercise not only stops the aging process but may also reverse it. According to these studies -- I am going to give a number that appears to be too high, amazing, but encouraging -- in middle-aged persons and old persons exercise can extend life 25 to 45 years. From 25 to 45 years!

I believe that all mature men and women should have these data on a little sign. Someone spoke of a sign here yesterday. Another sign could be made that says: Exercise can prolong the lives of mature and old people from 25 to 45 years. There is more to be said. Those experiments have shown that life expectancy was increased by 35 percent and that the transport of oxygen to the cells increased 29 percent. If you wnat to you can jot down that information and keep it in mind. It is really encouraging because it appears that there is no better medicine than exercise for the promotion of health. This is unquestionable. [end recording]

Fidel examined thoroughly certain aspects of the efforts made by the revolution to lengthen human life.

[Begin recording] We began to make heart transplants recently, with success. It is not a matter of prestige. It is not a question of determining whether it is worthwhile to make that great effort to save one or two or five or ten or to give a person 5 additional years of life. It is a matter of giving hope to those who had no hope. And it is also a matter of something that development requires: that we become better, that we study. Its importance is how it forces cardiologists and an entire group of medical specialists to do painstaking work, to make an effort, to study and become better. It contributes to development. These matters cannot be measured by simple statistics.

I was saying that the aggression against our country increased our concern for the study of medicine. It promoted it, and so we achieved great progress. I believe that the merit of our revolution is not that we have perfect institutions, much less institutions to be copied. The only thing I think should be copied is the concern of the state, the government, the revolution, and the party for public health. This is the only thing. Because where there is real concern, formulas and solutions will be found that are adapted to each country. Aggression strengthened our resolve, and we begin to achieve our goals under difficult circumstances. This is the only way. [end recording]

Fidel's final words at the closing ceremony of the international seminar on primary health care expressed the Cuban revolution's traditional solidarity with other countries.

[Begin recording] Now, taking leave of you, I want to tell you modestly that our achievements, our progress, our advancement and experience, our successes in research and in the field of public health will always be at our service. Thank you. [applause] [end recording]

Further Remarks

FL132310 Havana Radio Periodico Del Aire in Spanish 2130 GMT 13 Jun 86

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, last night closed the international seminar on primary health care which met for 4 days in Havana's Palace of Conventions. After making a detailed account of the efforts of the revolution in the health sector throughout the years, Fidel referred to the Cuban concept of family doctors for primary health care.

[Begin Castro recording] The idea of the family doctor is a very new one; the first 10 family doctors have not been working in the program for 3 whole years yet. We believe it is a very well conceived idea, based on real foundations, on real needs, with great confidence.

But we were testing it. We tested it in the community, factories, schools, the countryside, cooperatives, agricultural regions, and mountainous areas. [end recording]

Elsewhere in his speech, Fidel referred to the experiences obtained by Cuba in primary health care with the family doctor program.

[Begin recording] That is why we are confident in these new ideas when we put them into practice; we submit them to the test of life. I do not hide the fact that we are very enthused about this idea, this new institution. I do not hide the deepest certainty that it is what rounds out, improves very much our health system. But it is a new idea, and proposals and analyses are constantly considered. They themselves [not further identified] decided to implement the so-called sliding shift -- from 1700 to 2100 -- to avoid interfering with work schedules, to give the opportunity to all the people who work and want to see the doctor. Every day new things come up. For example, needs, ideas come up: what to do with laboratory analysis, how to collect it. [end recording]

Ending the closing speech of the international seminar of primary health care, as he addressed the almost 500 delegates from Latin America and Europe who participated in the event, Fidel said:

[Begin recording] Since we also plan our health services and we decide on one, two, or three working teams, we think not only about our population, we also think that at times other Latin American countries request our cooperation. They ask for medical assistance or for a certain type of medication. We always have to add something to our plan, because nobody knows at what time that kind of request for cooperation will come. Also, one of our doctors -- I believe he spoke here today -- developed a medication and therapeutic method for vitilligo which has caught the interest of many countries, such as Venezuela, Brazil, and others, in all parts of the world. I believe any progress achieved in this field could benefit all.

Now, in taking leave of you, I want to tell you modestly that our achievements, our progress, our advancement and experience, our successes in research and in the field of public health will always be at your service. Thank you. [applause]

CASTRO CLOSES PRE-UNIVERSITY INSTITUTE SEMINAR

FL141824 Havana Television Service in Spanish 1700 GMT 14 Jun 86

[Text] With the presence of Commander in Chief Fidel Castro, first secretary of the party Central Committee and president of the Councils of State and Ministers, the national seminar for professors of mathematics, physics, and chemistry of the pre-university vocational institutes of exact sciences has concluded. The work of the seminar was directed at the study of the content of the curriculum and the characteristics and goals of those institutes. The commander in chief spoke at the final session.

[Begin recording] At a meeting of professors of medical sciences, the problem of the leap from pre-university studies to the university was clearly outlined. It was almost a death-defying leap for many students. The conversion of the vocational schools into pre-university vocational schools was the first thing we did. [end recording]

Later, Fidel referred to the origin of the pre-university institutes of exact sciences, which were founded with the idea of training future specialists in nuclear studies. The first secretary of the Central Committee said that the first students in those specialties graduated from the Lenin Vocational School and added that he was always concerned that that type of school should be distributed throughout Cuba.

[Begin recording] After that idea ... [changes thought] Earlier something had been done. Some schools like the Che Guevara served 3 provinces. Nevertheless, in each of those provinces we wanted to place a school, even if it had capacity for only 500 or 600 students, a vocational school. We had already arrived at the conclusion of the three institutes of exact sciences: occidental, center, and oriente. These ideas were developed until we reached the conclusion that we should convert the vocational schools into schools of exact sciences. Then we began to work on that idea. [end recording]

Fidel referred to the work of the Ministry of Education in the preparation of the curriculum for the pre-university students who were studying exact sciences and to the training of the teaching personnel. He said that the introduction of computing starting in the ninth grade in the coming school year also constitutes an important element in the development of that type of studies centers.

FIDEL CASTRO OPENS HOSPITAL'S NEW WINGS

FL161144 Havana Radio Progreso Network in Spanish 1100 GMT 16 Jun 86

[Text] In Havana Commander in Chief Fidel Castro, party first secretary and president of the Councils of State Ministers, has opened the new wings built at the Julio Diaz Rehabilitation Hospital. With the construction of the new physical therapy, electrotherapy, mechanotherapy, and ambulatory therapy rooms, the hospitals' beds are increased to 225. The hospital is located in Havana's Reparto Fontanar.

CANE HARVEST LOSSES REPORTED IN CAMAGUEY

FL112111 Havana Radio Reloj Network in Spanish 1825 GMT 11 Jun 86

[Text] Despite the effort made to pick up the cane left behind by harvesters, losses in the recently concluded harvest in Camaguey amounted to a little over 31,750,000 arrobas. With that amount of raw material, all of the territory's sugarmills would have produced 38,700 metric tons of crude over the achieved amount, according to the real industrial yield.

Of the 13 agroindustrial complexes in Camaguey, the Haiti, Alfredo Alvarez Mora, Dominican Republic, Argentina, and Jesus Suarez Gayol sugarmills reported losses lower than 5 percent, which is the maximum amount allowed. The rest recorded very high losses, especially the Panama and Ignacio Agramonte sugarmills. The units requiring the use of canecutters had negative results, especially in cane left behind after the lift trucks were used.

ALARCON CRITICIZES U.S. STANCE ON CONTADORA

PA141645 Madrid EFE in Spanish 1210 GMT 14 Jun 86

[By Juan Aznarez]

[Excerpt] Havana, 14 Jun (EFE) -- A senior Cuban official has described the United States, El Salvador, Costa Rica, and Honduras as countries that do not have the political will to achieve a peaceful solution in Central America. Ricardo Alarcon, vice minister of foreign relations of the Fidel Castro government, told EFE that "what has occurred in the last few days has been very educational, very enlightening."

"A couple of weeks ago the international news media said that everything depended on whether Nicaragua signed a proposed document and that the other countries had already agreed to sign it," Alarcon said.

"Now that the document is ready and the Contadora Group has formalized it, we find that there is a somewhat hysterical reaction, especially from the Salvadoran and Costa Rican foreign ministers, who speak of a 'counterdocument,' of another document drafted by them, and they say this document drafted by Contadora is complaisant, as if it were Sandinist," he added.

The Cuban politician stressed: "What were they talking about when they said 2 weeks ago that they were willing to sign, that everything depended on Nicaragua?" "To what document were they referring?" he asked. "Were they referring to this one? This is the document that Contadora was drafting in consultation with the other countries."

According to the Cuban vice minister, the text distributed on 6 June in Panama and the previous document "are practically the same thing." "What this shows now is that there is no U.S. political will to achieve a peaceful agreement. And if there is no U.S. will, there can be no political will on the part of El Salvador, Costa Rica, and Honduras, because they are countries without will and without policy," Alarcon said.

Alarcon, who is considered by political circles as one of the most eminent spokesmen of Cuban foreign policy, added that "they think and act according to what Washington decides, and they now have to show this." "The document is ready, and the hour of truth has arrived," he added, "and when the hour of truth arrives, the same thing always occurs: there is an unmasking of the attitude of Washington and those who literally follow Washington's orders: El Salvador, Honduras, and Costa Rica."

The Cuban vice foreign minister also said: "They cannot sign the peace document as long as the United States is not willing to achieve peace in Central America."

FBIS DAILY REPORT
CONTENTS

Latin America

Vol VI No 116
17 June 1986

INTER-AMERICAN AFFAIRS

Area Deputy Ministers' Meeting Postponed A 1
[ACAN]

ARGENTINA

CGT Says Strike Received Record Support B 1
Dante Caputo Rules Out Coup Possibilities B 1
Recent Military Trends Called 'Delicate Problem' B 3
[LA PRENSA 10 Jun]
Roundup on Aerolineas Argentinas Conflict B 7
Federal Police Chief, Deputy Chief Appointed B 8

BOLIVIA

Joint Declaration With Peru Issued 3 June C 1
[PRESENCIA 4 Jun]
Planning Minister on Possible Salary Increase C 5
Lechin Resignation Accepted by FSTMB Leaders C 6

BRAZIL

Finnish Prime Minister Sorsa Arrives for Visit D 1
[Helsinki]
11 People Killed During Para Land Dispute D 1
3 Killed in Trairi D 1
Military Ministers Reject Reduction of Duties D 2
[O ESTADO DE SAO PAULO 10 Jun]
Guimaraes Said 'Eager' To Return to Work D 2

CHILE

One Person Killed in Subway Bomb Attack E 1
Army, Police Repress Student Demonstrations E 1
Combined Forces Raid Two Santiago Shantytowns E 1
Navy Patrol Kills Subversives in Valparaiso E 2
Bomb Attacks Delay Train Departures; No Casualties E 2

PARAGUAY

Foreign Minister Denies PRC Delegation's Visit H 1
[EL DIARIO 15 Jun]
Church Bells Rung for Justice, Peace, Freedom H 1
[EL DIARIO 13 Jun]

PERU

Bomb Threat in Lima Activates Security Measures J 1
MRTA Communique on Church Proposal, Bomb Attacks J 1

URUGUAY

Sanguinetti To Discuss Protectionism With Reagan K 1
Briefs: New Ambassador to Cuba; Sanguinetti Receives Ambassadors; PRC Commercial Mission; Soviet Trolleybuses Purchased K 1

PANAMA

Managua Radio Interviews General Noriega N 1
Authentic Panameñist Party on Noriega Charges [EL SIGLO 16 Jun] N 2
PDC President Advocates Noriega's Removal [LA PRENSA 15 Jun] N 2
'Political Storm' Threatens To Engulf Noriega [LA PRENSA 15 Jun] N 3
Reasons for 'Attack' on Noriega Viewed [MATUTINO 16 Jun] N 5
Accusations Against Noriega Seen Linked to Canal [LA REPUBLICA 15 Jun] N 6
MATUTINO Stresses Solidarity With Noriega [16 Jun] N 7

CENTRAL AMERICA

EL SALVADOR

Duarte Overtures Seen as Disguise for Repression [Venceremos] P 1

GUATEMALA

Car Explodes; U.S. Citizen Killed at Scene P 2
PSD Leader Views National 'Political Violence' P 2
Church in Exile Sends Letter to President Cerezo [DIALOGO SOCIAL Jun] P 3

HONDURAS

PINU Leader Criticizes 'Subservience' to U.S. P 4
Briefs: New Ambassadors Present Credentials P 5

NICARAGUA

President Ortega To Visit Algeria in August [EFE] P 6
BOS Claims More Than 130 EPS Casualties [ACAN] P 6

CUBA

DPRK Foreign Trade Minister Concludes Visit Q 1
Rodriguez Meets With Angolan Politburo Member Q 1
Flavio Bravo on Official Visit to Finland Q 1
USSR Confers Medal on Ambassador Soto Q 1
'Our America': Future Depends on Contadora Q 2
U.S. 'Pressures' Mexico Because of Foreign Policy Q 3

CARIBBEAN

DOMINICA

Douglas on New Trend in Caribbean Politics S 1
DLP's Mills To Push for Douglas Removal S 2

JAMAICA

Seaga Denies Elections Postponement Plans S 2

ST CHRISTOPHER-NEVIS

Simmonds Returns After 10-Day Official Trip S 3

AREA DEPUTY MINISTERS' MEETING POSTPONED

PA170353 Panama City ACAN in Spanish 2328 GMT 16 Jun 86

[Excerpts] San Salvador, 16 Jun (ACAN-EFE) -- The Salvadoran Foreign Ministry reported this afternoon that a meeting of diplomatic representatives from Central America, with the exception of Nicaragua, has been postponed. The representatives were to meet to discuss solutions to the obstacles in the Contadora Group's peace efforts.

The government source did not give details of the postponement of the meeting, scheduled for tomorrow here. The source merely explained that in the next few days the Salvadoran Foreign Ministry will set a new date for the meeting.

Tomorrow's meeting was related to a peace plan different from the one delivered on 6 June by the Contadora Group. This plan was drafted by all the Central American governments except for Nicaragua.

According to the Salvadoran Foreign Ministry, the meeting was to have been attended by deputy foreign ministers and Foreign Ministry advisers from El Salvador, Honduras, Costa Rica, and Guatemala. Rodolfo Castillo Claramount, Salvadoran vice president and foreign minister, had convoked the meeting on 11 June in Costa Rica.

A Salvadoran Foreign Ministry spokesman told ACAN-EFE this morning that the invitations had already been sent and that the replies by the Guatemalan, Honduran, and Costa Rican delegates were still pending.

The Salvadoran Foreign Ministry's invitation to the area's diplomats, with the exception of Nicaragua, states that the meeting is aimed at reaching an agreement on the wording of the main document which will express the opinions of a democratic Central America." [quotation marks as received]

CGT SAYS STRIKE RECEIVED RECORD SUPPORT

PY162232 Buenos Aires TELAM in Spanish 0000 GMT 15 Jun 86

[Text] Buenos Aires, 14 Jun (TELAM) -- The General Confederation of Labor [CGT] today reported that the nationwide strike staged on 13 June showed that the people freely and spontaneously expressed their support for the demands and proposals of the CGT, irrespective of political beliefs and ideological differences.

The CGT issued a communique signed by Secretary General Saul Ubaldini analyzing the 24-hour strike on 13 June. The communique stated that the strike was not the result of a political tug-of-war, but a display of dissatisfacton by most of the people who work and produce over the ovvious results of the economic policy that the national government has implemented.

The communique added that if anyone tries to interpret the strike otherwise, they will be making a mistake, and this mistake will cost all of us dearly.

The communique went on to state: Our proposal cannot be distorted. We want to restore constitutional provision, repeal the laws passed by the dictatorship, and break the ironclad noose of monetary stability without any growth because, despite all else that is being said, this methodology is in keeping with the paralyzing IMF demands.

The communique stated that the strike received record support and became a veritable day of peaceful national protest. The document also reiterated the CGT demands for the full enforcement of Article 14, Section 2 [of the Constitution] and of Law 14, 250 on labor-mangment bargaining committees and for salaries in keeping with the cost of basic staples for family consumption.

The communique concluded by pointing out that having gone through this phase and while the next steps of the struggle are being propared, we will attend the (annual) meeting of the ILO to tell the world at large about the legal and economic strictures that the Argentine workers must endure thanks to the policy of the government.

DANTE CAPUTO RULES OUT COUP POSSIBILITIES

PY160112 Buenos Aires TELAM in Spanish 1157 GMT 15 Jun 86

[Text] Buenos Aires, 15 Jun (TELAM) -- Foreign Minister Dante Caputo has ruled out the possibilty of a coup in his country because the Argentine people would not allow it and because there is nothing to distribute among would-be coupists. He said: No one thought that things would run smoothly for this administration. What is happening must happen, but it would be a big mistake to think that the Argentine Government is in danger.

In statments made in Washington and published this morning by the newspaper TIEMPO ARGENTINO, he said that there are two serious reasons for ruling out the possibility of a coup: first, every Argentine citizen's awareness of the meaning of authoritarianism, and second, the poor Argentine economic situation.

No coup is ever carried out without some degree of consent from society. A coup is not carried out if all society is against it.

Generally, coups are carried out when there is some economic surplus to distribute. One group simply tries to take this economic surplus from the group that is in power.

Questioned about the Central American peace and cooperation treaty, which was to have been signed on 6 June, Caputo replied that any legal instrument is worthless if it is not based on previous political conditions. I believe, the minister said, that the basic problem is that the United States believes Nicaragua favors establishing international alliances that affect U.S. security, and it is probable that the United States will not be willing to take such a risk. Nicaragua belives that the United States does not wish to take a risk and will continue with its military pressure. Nicaragua, therefore, will probablly not be willing to start disarmament.

Caputo, however, is opposed to the installation of a Marxist regime in Central America because it would prevent the free exercise of the principles of pluralist democracy and the succession of governments. It is obvious, the foreign minister said, that the presence in the Americas of regimes that can establish ties with extraregional powers, thus making themselves parties in the global strategic conflict, are seen by the United States as threats to its security. He added that as long as the United States, the predominant world power, sees that type of government as a threat to its security, of course there will be no security in the region.

Changing the subject, Caputo justified the attitude of Argentina toward the presence in its territorial waters of foreign-flag fishing vessels because they deplete the living resources. In the recent incident with a Taiwan fishing ship that was fired on by Argentine Navy ships in Argentine territorial wates, Argentina did nothing by apply the police power inherent in the exercise of sovereignty over exclusive Argentine economic zones, Minister Caputo explained.

Regarding the possibilty of a summit meeting of Latin American presidents, Caputo said there is nothing definite yet, but studies are under way because this type of meeting must be well prepared, with a specific agenda and objectives in order not to cause great frustration.

Asked about Argentina's challenges in the next decades, Minister Caputo replied that, although it may sound rhetorical, the question involves a double awareness: First, that Argentina will be what we want it to be; and second, that we realize that will be what Argentina will be. It sometimes dawns on us, Caputo said, that the objectives set out to attain are difficult to reach, that there is an infernal machinery that works to blunt our daring, initiative, and imagination. This is a serious impediment in Argentina, just as it is in many other countries suffering underdevelopment.

Asked whether in 1989 there will be a political class capable of replacing President Alfonsin, Caputo asserted that it is indispensable for political stabiltiy in Argentina for the political parties to develop the capacity to meet the demands of the future.

He said: Our efforts must be directed at transforming both Argentina's civilian society and its political society. In 1983 we not only changed our government but our system of government, and our main challenge is now to strengthen the system, not the government as such.

Speaking about the strike that was held by the CGT [General Confederation of Labor] last Friday, Caputo said that all of us are pursuing the same objectives, which can be summed up in one word: development. But, he added, if sone sectors try to raise demagogic mobilization banners at this difficult juncture for the country, I believe that they have not yet understood the nature of the challenge we Argentines have ahead of us.

After noting the lack of maturity and responsibiity in dealing with the Argentine problems, Minister Caputo said: No alternative to what we are doing was presented at a debate we sponsored in the Chamber of Deputies.

RECENT MILITARY TRENDS CALLED 'DELICATE PROBLEM'

PY162136 Buenos Aires LA PRENSA in Spanish 10 Jun 86 pp 1, 4

[By J. Iglesias Rouco: "Defining Lines Within the Army" -- upper case passages published in boldface]

[Text] One of the most delicate problems the country has had to face over the past few years, and which regrettably is becoming more serious, is the problem of the military groups that for various reasons are resisting integration into the current constitutional system.

This resistance is largely due to the government's lack of a reasonable military program, or even worse, to the government's intention that it be the military chiefs who draft and apply this program, without the direct intervention of the political authorities and without the ideologies with which government cliques are undertaking the "revision" of the "dirty war," including the internal struggles among Alfonsin sectors, which as the days go by are more and more frequently trying to influence the garrisons. There are many interests and groups, leftovers from the "process," that are also working against the integration of the military institutions into the current system. Some of them are moved by ideologies, others by irrational fear, and many by a hunger for power or the desire to recover it.

In general terms it can be said that between 70 and 80 percent of the officer corps is either indifferent or neutral regarding the struggle, for the time being kept underground, that is being conducted among the military sectors. Engaged in this struggle are, on the one hand, a group that can be called antigovernment and, on the other, a group of officers who are not strong supporters of Alfonsin, but who are determined to make the Army and the other institutional services professional, apolitica forces at the service of those political leaders elected in accordance with the Constitution, irrespective of who these leaders are.

According to the government, Generals Liendo, Bussi, Harguindeguy, and Camps are presumably among the ideologists and military supporters (and in some cases economic supporters) of the first group. There are those who also indicate that those chiefs of the "process" are to be found behind a self-styled "Army in Resistance," which in April 1986 disseminated, as we previously reported, an "Order for Operation No 1." According to that order, said "army" presumably has a "combat organization" with "resistance commandos" in Buenos Aires, Cordoba, La Pampa, Rosario, Bahia Balnca, La Plata, and Campo de Mayo. The text of the "order," which reached the Army Staff just after being distributed among the officer corps, among other things includes the following paragraphs:

1. SITUATION

A. ENEMY FORCES.

LED BY PRESIDENT RAUL ALFONSIN, DEFENSE MINISTER GERMAN LOPEZ, FORMER PRESIDENT ALEJANDRO AGUSTIN LANUSSE, FOREIGN MINISTER DANTE CAPUTO, EDUCATION SECRETARY FRANCISCO JOSE DELICH, PUBLIC FOUNDATION SECRETARY JORGE ESTEBAN ROULET. CULTURE SECRETARY MARCOS AGUINIS, ARMY CHIEF OF STAFF GENERAL HECTOR RIOS ERENU, ARMY STAFF DIRECTOR BRIGADIER GENERAL LEOPOLDO HECTOR FLORES, V DEPARTMENT (PLANNING) DIRECTOR GENERAL JUAN CARLOS MEDRANO CARO, ARTILLERY SCHOOL DIRECTOR COLONEL ANTONIO "TITO" FICHERA, DAMBROSI, DEVOTO, AND OTHERS. THEY HAVE BEEN CONDUCTING AN ALL-OUT OFFENSIVE SINCE 10 DECEMBER 1983 AND HAVE ACCOMPLISHED THE FOLLOWING INTERMEDIATE OBJECTIVES:

(...) Neutralization of any effective organic leadership within the Argentine Army.

(...) DISCREDITING THE INSTITUTION THROUGH HUMAN RIGHTS CAMPAIGNS WITH THE CLEAR OBJECTIVE OF SEPARATING THE ARMY FROM THE REST OF SOCIETY.

(...) USE OF THE ARGENTINE ARMY AS A TOOL FOR POLITICAL PROPAGANDA, PROMOTING CRISES WHICH DIVERT THE ATTENTION OF THE PEOPLE OUTSIDE WITH THE AIM OF PREVENTING THE GOVERNMENT'S EROSION (...)

(...) 2. MISSION

(...) UPON RECEIVING THIS ORDER, THE ARGENTINE ARMY IN RESISTANCE WILL IMPLEMENT VARIOUS TYPES OF ACTIONS (...)

(...) 3. IMPLEMENTATION

A. OPERATIONAL CONCEPT: THE OPERATION WILL CONSIST OF STREAMLINING THE ARGENTINE ARMY AGAIN, UNDER ITS PROPERLY APPOINTED COMMANDERS (...)

B. THE OPERATION WILL BE DIVIDED INTO THE FOLLOWING PHASES:

1) PHASE 1: ORGANIZING AND RECOVERING COMBAT STRENGTH.

2) PHASE 2: IMPLEMENTING OFFENSIVE ACTIONS OF A LIMITED NATURE.

3. PHASE 3: GENERAL OFFENSIVE.

Among the "operations" mentioned under "Phase 1," the "order" establishes:

(...) TO RECONNOITER TARGETS IN ALL FIELDS, ENVISAGING THE NEUTRALIZATION OF INTERNAL AND EXTERNAL ENEMIES.

(...) TO PRESS THE SUPERIORS ON ISSUES RELATED TO THE MAINTENANCE OF MORALE AND ESPRIT DE CORPS.

(...) TO REFUSE TO BECOME A TOOL OF THE POLITICAL POWER WHENEVER ORDERS ARE RECEIVED TO REPRESS EVENTS ARISING OUT OF LEGITIMATE DEMANDS, REGARDLESS OF TYPE OR ACTIVITY.

According to the "order", "Phase 2" will include:

(...) PUBLIC DENUNCIATIONS, EITHER PERSONAL OR ANONYMOUS

(...) DIRECT ACTIONS AGAINST TARGETS PINPOINTED IN EVERY JURISDICTION, WITHOUT AFFECTING UNINVOLVED PEOPLE.

(...) ELIMINATION OF SELECTED TARGETS.

According to our sources, officer who oppose the government -- although we do not know whether or not they are members of "The Army in Resistance" -- recently held several underground meetings. One was held in Bahia Blanca some 45 days ago, another in a condonium located across from the military hospital in Buenos Aires, and two of three in San Martin district. In addition, it is only appropriate to recall that the only speaker at General Verdura's farewell ceremony in Cordoba was Colonel Marini. He is a friend of General Menendez (who for the time being will not be brought to Buenos Aires) and a minister of General Chasseing.

Sworn in as governor of Cordoba Province in 1976 during the "process". This colonel was punished by Rios Erenu in December because of his "proposals" against Government House.

If we agree with the government's "classified" reports, Cordoba would be, as is only logical, one of the epicenters of these meetings. Among its paticipants we could point out a lieutenant colonel; Mr Freitas (an attorney-at-law and a friend of UCR [Radical Civic Union] militants); and Major Ferreira, the head of the quartermaster company where General Menendez and low-ranking officers of the 2d and 14th Infantry Regiments are being held under arrest. This Cordoba "group" reportedly is tied -- according to government sources -- to the Air Force "antigovernment" ["gentistas"] officers, who include Major Benitez from the Aircraft Testing Center [Centro de Ensayo de Vuelo]; Major Rosales, retired; and noncommissioned officer Piaggi. Also included are several civilians, among them Flores and Villadino (alleged masterminds of one of these "groups"). Moreover, the progovernment military sectors are closely following the activities of officers of Headquarters Company 601 who are considered to be closely linked to colonel Seineldin, for example, Major Villarroel and Captain Carlos Martinez of the paratrooper brigade. They are also closely following the activities of military relatives of generals involved in the "process" as well as the activities of the officers of the Peronist left, of relatives and friends of other Peronist sectors, and of links to the Senate. In their opinion, these officers and their friends allegedly are responsible for "the detailed and very consistent planning" of the campaign that allegedly is taking form within the Armed Forces, as we have stated, against the "entente" between the ARmed forces and the Government, or against the Armed Forces personnel who are adhering to the Constitution.

The government, for its part, has important support groups within the Army that are encouraged by the Army chief of staff, General Rios Erenu himself. For example: We are aware that periodic meetings are held at a building near Las Heras and Ayacucho Streets which belongs to Mr Caferatta, of the Techint enterprise (a Radical who serves as a link between the politicians and the military). The purpose of these meetings is to lay the groundwork for a solid agreement between the Armed Forces and Government House. About 15 or 20 days ago three colonels (Mario Candido Diaz of Lemos College and Abel Bracamonte and another colonel of the Army Staff), plus other lower ranking military officers -- including some Malvinas war veterans -- held a meeting with Delich and O'Reilly who, in turn, were accompanied by an important Radical Party politician from Cordoba. It was predisely during this meeting that it was agreed that the government needs to openly take the initiative to launch and implement a coherent military program, thus freeing the generals, adminals, and brigadiers of this burden, which is the only way to ensure the Armed Forces' political integration with a sound constitutional government. The various "options" that are now before new Defense Minister Jaunarena always has maintained a fluid dialogue with the military chiefs, he lacks the political weight within the party of his predecessors.

Since the "options" are few, Jaunarena will have to ally himself with one of the internal Alfonsinist "trends," that is, with one of the conflictive internal Radical factions: Either with the Radical Party Coordinating Board headed by Nosiglia, Stubrin, and Jesus Rodriguez, or with the Buenos Aires province faction headed by Casella and "Freddy" Storani. It should be recalled, for example, that "Freddy" Storani and his father, Conrado, have managed to displace many confidants that Nosiglia had in the Social Action Ministry.

As if it were not enough, this is not the only matter that worries the supporters of the civilian-military understanding. According to our sources, at the middle or the end of May, Admiral Mayorga, a defender of Admiral Chamorro, reportedly informed a UCR [Radical Civic Union] leader of his "alarm" over the possibility that the old ESMA [Navy Mechanics School] "operative" groups may begin to move in favor of officers involved in the "dirty war." Disagreements regarding the "responsibility of subordinate officers" in the horrendous crimes committed during the "dirty war" still prevail in the Supreme Court (although only doctrinal disagreements now). We must also take into account the lesser degree of political influence the government will have through the current defense minister over the military and civilian prosecutors, and thus, the lesser degree of control over the overall process of "revision" makes this possibility even gloomier.

But we repeat: In the same manner in which the anti-Alfonsinist military men (in several cases anticonstitutionalist) take no rest, those officers who favor an agreement with the government, or simply the "constitutionalists," also take no rest. Let us see:

1) In Bahia Blanca, a "legalist" group reportedly is being organized in the V Corps Intelligence Detachment.

2) In Rosario, Major Paul Alberto Navone, who is considered an excellent planner, has organized a military intelligence group with the aid of General Gorleri, chief of the II Corps and a personal friend of Rios Erenu. Navone, born in Casilda, Santa Fe, is also the friend of Lieutenant Colonel del Pino, with whom he took the three courses at the Superior War College. Navone's trips to Buenos Aires undoubtedly have much to do with this action.

3) In Cordoba, Lt Col del Pino is obviously the head of the progovernment group in his capacity as chief of III Corps Intelligence, together with Maj Navone (chief of the personnel department of the III Corps Command) and Major Carnero, chief of the intelligence department of the paratrooper brigade. Carnero has great experience in the handling of "street" investigation groups. In Corrientes he successfully fulfilled this type of task, and he was one of the best students in the infantry course given at the Superior War College. These officers have the support of the 141st Intelligence Detachment located in Sarmiento Park.

4) Del Pino is also very active in Catamarca. Several meetings have been in the house of his brother-in-law, architect Carlos Chaga, who is affiliated with the UCR and is also an official in the Valle Viejo superintendency, as well as in the house of Del Pino's brother in Concepcion (17th Infantry Regiment).

Obviously, the top leaders of this military progovernment movement are Mr Nosiglia, who has been a friend of Del Pino since 1976, General Rios Erenu, Suarez Lastra, Stubrin, and someone who is close to Mr Alfonsin. This movement is ahead of the "clandestine army" of the "resistance" by a slight margin.

In fact, the movement has "street information" groups (it has 10 to 15 informers in Cordoba and some 200 in Buenos Aires) operating in unions, companies, and the media. Unlike the groups of the resistance, the groups run by the SIDE [Secretariat for State Intelligence], and the famous "defense group," whose members usually obey the orders of those who recruited them, the progovernment movement informers operate within an institutional "structure."

This is a general description of the confrontation currently affecting the Army and, to some extent, the other branches. Some 20 or 30 percent, so to speak, of the "active duty" officers have joined one of the two groups, while the rest are waiting with a more or less indifferent attitude marked by conflicting ideas, uncertainty, and confusion.

ROUNDUP ON AEROLINEAS ARGENTINAS CONFLICT

PY162042 Buenos Aires Domestic Service in Spanish 1600 GMT 16 Jun 86

[Excerpts] In the face of the conflict caused by the harsh dismissal of 150 Aerolineas Argentinas workers, the LADE [State Airlines] enterprise, which is owned by the Aerolineas Argentinas, this morning started emergency flights, according to official sources.

Aerolineas Argentinas President Horacio Domingorena described as savage the strike staged by the airline's technical personnel, warning that we are not willing to let ourselves be dragged into chaos. Domingorena also confirmed that 150 people have been dismissed.

The Aerolineas Argentinas president stated that if the airlines personnel first stop for 1 hour, then 2 hours, and then 3 hours when the flights arrive, then I am being threatened, I am being extorted. This is like saying either you surrender unconditionally, or else the enterprise will no longer operate, Domingorena said.

We have Mario Detel with an interview with Eduardo Capello, the secretary general of the Association of Technical Aviation Personnel [APTA].

[Begin relay] [Detel] Mr Capello, what will be your position following the 150 dismissals announced by Aerolineas Argentinas?

[Capello] The association's position has not changed and will not change, at least until after we meet today with our members. However, the enterprise's reaction was expected; it was known to a certain degree.

We will continue our measures of not cooperating, working to rule, and stopping 3 hours every work shift. [end relay]

It is now 1315. Mario Ortel, the Aerolineas Argentinas public relations manager, do you have anything to add to Mr Capello's comments?

[Begin relay] [Ortel] We reached the conclusion that it was impossible to continue operating. The enterprise, therefore, decided to suspend flights until further notice, as has already been reported. [end relay]

To make a complete report on the Aerolineas Argentinas conflict, it is necessary to learn the opinion of APLA [Airline Pilots Association].

[Begin relay] We are in touch with APLA President Mario Mozolo. Mr Mozolo, what is APLA's current position concerning the conflict at Aerolineas Argentinas?

[Mozolo] Well, our position is that the government's attitude toward the airline must be more flexible so as to allow the enterprise to cope with internal conflicts. [end relay]

FEDERAL POLICE CHIEF, DEPUTY CHIEF APPOINTED

PY140235 Buenos Aires TELAM in Spanish 2205 GMT 13 Jun 86

[Text] Buenos Aires, 13 Jun (TELAM) -- It was officially reported this afternoon at Government House that Inspectors General Juan Angel Pirker and Norberto Alejandro Broto have been appointed Argentine Federal Police chief and deputy chief, respectively.

The appointments were formalized through Decrees Nos 952 and 953 of the executive branch.

JOINT DECLARATION WITH PERU ISSUED 3 JUNE

PY132018 La Paz PRESENCIA in Spanish 4 Jun 86 pp 1, 10

[Joint declaration signed by Peruvian Foreign Minister Allan Wagner and Bolivian Foreign Minister Guillermo Bedregal in La Paz on 3 June]

[Text] 1. They have reasserted their political will to actively participate in the efforts being made by the Movement of Nonaligned Countries that are trying to establish a new international relations system, designed to improve the current one by making it more fair.

2. They agreed on the need to promote South-South cooperation, taking into account its importance for the economic, social, and autonomous development of the Third World countries and to strengthen their solidarity and negotiating capacity.

3. They expressed the need to promote regional, subregional, and bilateral agreements to cut down military expenditures, thus releasing resources necessary for the development of their people. The Bolivian foreign minister has voiced his government's support for Peruvian President Alan Garcia's initiative to promote a regional agreement in this regard and its desire to participate in negotiations designed to achieve this objective.

4. They expressed their satisfaction over the strengthening of the democratic system in Latin America with the purpose of safeguarding the full exercise of the people's basic principles, which is an essential principle for the strengthening of peace and international coexistence.

5. They energetically condemned all forms of violence, especially terrorism, no matter its origin or ideological motivation, because it is harmful to human rights, democracy, and the peaceful coexistence of men and nations.

6. They ratified their governments' decision to energetically confront drug trafficking, which represents a crime against mankind, and noted the need for all countries and international organizations involved in the fight against this scourge, and in the quest for a solution to the problem, to fully assume their responsibility.

They noted the importance of the "Rodrigo Lara Bonilla" agreement on cooperation in preventing abuse and the repression of illegal narcotics and hallucinatory drug trafficking, which was signed by the Andean Group member countries in Lima. They have invited the remaining Latin American countries to adhere to this agreement in order to strengthen the actions provided by the agreement and to broaden the scope of its application.

They reiterated that these efforts should be accompanied by a more effective antidrug policy in those countries in which drug consumption represents a determining incentive to the production and marketing of drugs.

7. They reiterated that the only feasible solution for the Central American crisis will come from a joint effort by the countries of the region and from the peace negotiations conducted by the Contadora Group with the aid of the Contadora Support Group. The foreign ministers also stated that any sort of foreign intervention aggravates the problem and hinders attempts to solve it.

8. Regarding the Latin American foreign debt problem, they reiterated their governments' support for the principles of the Cartagena Consensus so as to reduce the pressure exerted by the heavy burden of the foreign debt, based on the principle of shared responsibility between creditors and debtors, as well as on the need to preserve the debtors' economic reactivation and growth. They agreed to attain such objectives by restricting the payment of their debt servicing to a percentage of the income they obtain from their exports, in keeping with the needs of the development and welfare of their countries, and by taking into account the negative evolution of the prices of the developing countries' export products.

9. They reiterated their full support for the Latin American Economic System and agreed on the need to define, during the 12th SELA ordinary meeting in Lima on 13 to 17 October 1986, common strategies to strengthen the regional capability of multilateral negotiation.

10. They have likewise expressed their satisfaction over the approval of the "Cartagena de Indias Protocol" during the 15th OAS General Assembly. This protocol will strengthen the OAS, especially in the area of hemispheric security and cooperation for development.

11. They reiterated their governments' will to integrate and agreed on the need to make progress in forming the Latin American common market planned by the ALADI.

12. They have agreed to double their efforts to overcome the crisis that is affecting the Andean Integration Process. Therefore, they exhorted the governments of the member countries to soon approve a protocol to modify the guidelines of the 5th Andean Council's final document.

13. Regarding the Bolivian maritime problem, the Bolivian foreign minister informed his Peruvian colleague about the negotiations favorably initiated between his country and Chile to try to obtain for Bolivia a free, sovereign, and useful outlet to the Pacific Ocean. The Peruvian foreign minister has taken note of such information with great interest and expressed his government's best wishes so that through this process the sister Republic of Bolivia will be able to reach a solution to its maritime problem in keeping with its own interests. The two foreign ministers agreed that a solution to this problem would represent an expression of the Latin American spirit of brotherhood and would also contribute to a better understanding among the countries of the region.

14. The following decisions regarding the relations between Bolivia and Chile were adopted during the friendly talks held between the two ministers:

-- The ratification of their support for the Bolivian-Peruvian Permanent Joint Commission in charge of placing border markers on their common border [Comision Mixta Permanente Boliviano-Peruana encargada de la reposicion y densificacion de hitos en la frontera comun -- Compihd] as well as for the projects agreed by this commission.

-- The promotion of scientific, technical, and cultural cooperation and the implementation of the Bolivian-Peruvian Cultural Agreement signed in 1969 and its additional 1975 protocol.

15. They agreed to remind the presidents of the Central Banks of Peru and Bolivia that during the next visit of the Bolivian Central Bank president to Lima they should examine all the subjects of common interest in order to promote the closest cooperation between these two important institutions for the benefit of the inhabitants of the Peruvian and Bolivian altiplano region. Special attention should be given to the renewal of the reciprocal credit agreement within a convenient framework for the two countries.

The objective is to increase and diversify bilateral trade and to reduce or eliminate the current trade gap that exists between the two countries.

16. They decided to create a "bilateral counter trade commission" that, with the participation of experts from private and public sectors of the two countries, will prepare a study in the next 60 days on the great possibilities that are opening up for bilateral trade through the countertrade system, taking into account the norms provided such as the preferential treatment for Bolivia within the framework of the Cartagena Agreement.

17. Both governments see as a priority the study of the basin of Lake Titicaca. This study is being conducted with the assistance of the National Urban Development Program [PNDU]. The future possibility of using the lake's waters will depend on the result of that study, for the exclusive benefit of the Bolivian and Peruvian peoples, with the expressed condition that the use of the waters will not affect or provoke any damage to the region's ecology.

18. They agreed to promote decisively the initiation of the joint fishing development program in Lake Titicaca, to be implemented by "Oldepesca [Latin American Organization for Developing Fishing]", and the responsible organizations from the two countries, to sponsor the orderly exploitation of fisheries in the lake through the design and implementation of a fishing development, administration, training, and social promotion program.

19. Today, a joint note will be sent to the IDB requesting the immediate implementation of the support program for the Peruvian-Bolivian Border Integration which has the nonreimbursable technial assistance of that financial organization, and the designation of directors of the program proposed by the governments of Bolivia and Peru.

20. The Peruvian foreign minister has agreed with his Bolivian counterpart on the urgent need to improve the operational infrastructure of the railroad transport system over the lake that links the two countries. In this regard the two ministers have agreed to recommend that the Ministries of Transport and Communications of Peru and Bolivia meet within 60 days to study the issues related to the implementation of the 31 May 1973 agreement for railroad connection and of Decision 185 of the Cartagena Agreement Commission. On that occasion coordinated and harmonious medium- and long-term policies for physical integration and communications will be established.

21. They ratified their desire to support all actions that, within the framework of physical integration between Peru and Bolivia, will lead to the establishment of "transport corridors" between the Atlantic and the Pacific Oceans, especially the interconnection of the two countries' railroad lines. In this regard, they agreed to promote a meeting of experts from the interested countries to make recommendations regarding the problems that this important project could present.

22. The two foreign ministers agreed to recommend the immediate calling of the Peruvian and Bolivian authorities to the second consultative meeting to review the highway plan of the current bilateral treaty, as well as other specific matters of mutual interest.

23. The Peruvian foreign minister took note, with great interest, of the proposal made by the Bolivian foreign minister to set joint actions that will give continuity to the agreements adopted in the existing bilateral agreements on maritime transport, and also of the suggestion to set a joint meeting between the port enterprises of the two countries with the purpose of studying the possibility of giving a preferential treatment to the Bolivian Ship Line [Linabol] as far as port tariffs are concerned.

24. They proposed the establishment of a work group headed by the Peruvian energy deputy minister and the Bolivian energy and Hydrocarbons Under Secretary, respectively, to assess, evaluate, and recommend the preparation of energy integration projects.

25. The Peruvian and Bolivian foreign ministers also decided to abolish visas for diplomatic, special and official passports of both countries in accordance with the notes signed today.

26. A bilateral administrative draft agreement for an effective system to control and repress drug trafficking, in accordance with the regulations established in the "Rodrigo Lara Bonilla" agreement, will be prepared. Therefore, the Peruvian foreign minister delivered to his Bolivian counterpart a draft agreement to prevent and repress the illegal traffic of narcotics and hallucinatory drugs.

27. Convinced of the urgent need to eradicate smuggling, which is competing with the legally established trade between the two countries, the two foreign ministers decided to recommend meetings between Bolivian and Peruvian customs house and police officials be held within 60 days, to decide on the necessary actions against smuggling.

28. The two foreign ministers also agreed to call for the seventh meeting of the Peruvian-Bolivian Coordinating Mixed Commission (Comiccord) to be held in Lima during the last quarter of 1986 to discuss the following issues:

Study the reasons why the current agreements between the two countries on free zones were not implemented and recommend the adequate mechanisms to implement them to meet the mutual interests of both countries through a specific agreement.

Prepare an agreement to establish more adequate regulations for preferential and reciprocal postal services for mail going through the two countries.

Take note of the progress made by the technical ad-hoc group of Decision 185, especially on matters related to the establishment of a rational and integrated system for the transit of merchandise from and to Bolivia in Peruvian ports, with the purpose of recommending the approval by both governments of appropriate legal regulations and the application of the respective measures.

Prepare an agreement granting more facilities for the citizens of the two countries to cross the borders and improve the current regulations on this matter.

Prepare a bilateral agreement of cooperation in the Amazon region, especially in the areas of transportation, navigation, energy, health, agriculture, science and technology, and establish the adequate institutional mechanisms to promote the overall development of their respective Amazon territories.

29. The Peruvian foreign minister stated that despite the policy of strict economic austerity prevailing in his country, he has allocated the necessary funds to finance the construction of a berth for Bolivia in the Guaqui port to begin operation next year. The Bolivian foreign minister expressed his government's appreciation for the Peruvian gesture.

30. The Bolivian foreign minister expressed his appreciation for the recent measures adopted by the Peruvian Government, aimed at favoring the transit of Bolivian merchandise through the Matarini and Ilo ports, by reducing port duties, the extension of free storage and Decree No 0009 of 30 May 1986, abolishing fees on consular rights Nos 21 and 62, which refer to bills of lading.

31. The two foreign ministers, guided by the spirit that inspired this meeting and with the desire to intensify the treatment of issues of mutual interest, decided to be in permanent contact.

The Peruvian foreign minister, upon expressing gratitude for the hospitality of the Bolivian Government and people, invited Foreign Minister Bedregal to make an official visit to Peru in the near future. The invitation was well received and accepted.

Signed: Alan Wagner Tizon...Guillermo Bedregal.

PLANNING MINISTER ON POSSIBLE SALARY INCREASE

PY101603 La Paz La Red Panamericana in Spanish 1130 GMT 10 Jun 86

[Text] Planning and Coordination Minister Gonzalo Sanchez de Lozada has requested that the ADN [Nationalist Democratic Action Party] and other public sectors that have expressed their opposition to relations between the Bolivian Government and the IMF show more (?moderation).

[Begin Sanchez recording] We agree that it is very important to comply with our commitments. Bolivia has a great problem, namely the government's lack of credibility, both at home and abroad. I believe that we are now recovering our credibility abroad in an extraordinary manner, but we still have to recover our credibility at home. There are many people who doubt our promises and objectives. Some believe that we are not interested in complying with them.

I believe however, as I have already told many ADN members, that we can grant a large [general salary] increase, but it would force us to readjust fuel prices and the dollar exchange rate, which would bring about a great general price increase on all products, which would in turn negate the salary increase. We want to increase the people's purchasing power through a salary increase, but we do not want to increase inflation.

This is the real problem, and I believe that when the ADN understands it, then it will support us. What can be gained if we announce a salary increase and then all the prices of products also increase? [end recording]

The minister then said that the government wishes to grant a salary increase because it recognizes that it should not necessarily mean economic disorder. He then said that there are some false rumors circulating, according to which the government is being pressured by the IMF.

[Begin recording] [Sanchez] I think we have a lot of independence. The IMF's initial conditions were extremely restrictive. The fact is that the better our economy becomes, the less it can demand from us. For example, the original letter of intent provided for a readjustment of fuel prices and of the currency exchange rate if a general salary increase were granted. Now we have managed to change this issue and not make an adjustment in the fuel prices or in the currency exchange rate because we promised to grant a salary increase with legitimate and real resources and not with inflationary measures.

[Unidentified reporter] But, what do you think of these rumors that come from abroad or from even the IMF itself?

[Sanchez] No, those rumors are not true. The letter of intent is well known. At last week's negotiaions we eliminated all references to an increase in fuel prices or a readjustment of the foreign currency exchange rate. The IMF has now demanded something else in exchange for this measure. But this is normal and we agree with it. The IMF demands noninflationary salary increases. [end recording]

In conclusion, Minister Sanchez said that the government is not mistaken in promoting a salary increase through Decree 21060.

[Begin recording] [Sanchez] No, the government is not mistaken. The government has calculated that it could grant an increase, and it is going to do so.

[Reporter] Could it not be greater than 30 percent, Mr Minister, since a stand-by [credit] has already been announced by the IMF?

[Sanchez] Yes, but that stand-by is not for granting salary increases. It is for providing us with foreign currency to import things we need at a moment when our export products like tin and oil have low international prices. We cannot squander that money, because it is meant for something else.

There was no mistake in the Decree 21060. We said that a salary increase would be granted and that the salary freeze would be lifted. We will comply with this. We are studying the possibility of granting as much as possible.

We are going to grant a salary increase without readjusting the fuel prices and without a currency devaluation. This means that the salary has to be covered by noninflationary resources. [end recording]

LECHIN RESIGNATION ACCEPTED BY FSTMB LEADERS

PY150035 Paris AFP in Spanish 0211 GMT 14 Jun 86

[Text] La Paz, 13 Jun (AFP) -- The resignation of veteran labor leader Juan Lechin Oquendo as executive secretary of the Trade Union Federation of Bolivian Mineworkers [FSTMB] was accepted today at a national meeting of FSTMB leaders.

Mineworkers' leader Simon Reyes said that the delegates present at the meeting expressed their support for the other leaders of the dederation and called for unity among the workers to prevent the closing of the mines and the dismissal of 13,000 workers.

Reyes added that workers representatives will meet with officials of Victor Paz Estenssoro's administration in the coming hours to study a plan for the rehabilitation of companies that belong to the Mining Corporation of Bolivia [Comibol].

After the resignations of Lechin Oquendo and Victor Lopez -- the latter was appointed FSTMB secretary general at the latest congress -- the top positions of the FSTMB are in the hands of Simon Reyes, Filemon Escobar, and Justo Perez.

The FSTMB is considered to be the backbone of the Bolivian Labor Confederation [COB], the top Bolivian organization of workers, employees, peasants, students, and teachers.

FINNISH PRIME MINISTER SORSA ARRIVES FOR VISIT

LD141654 Helsinki International Service in Finnish 1500 GMT 14 Jun 86

[Text] Prime Minister Kalevi Sorsa has arrived in Rio de Janeiro, the first point of his 4-day visit to Brazil. It is the Finnish prime minister's first visit to Latin America. The main purpose of the working visit, at the invitation of the Brazilian Government, is, in the view of Prime Minister Sorsa, to raise the level of political and economic relations between Finland and Brazil.

The prime minister's program in Rio is fairly flexible. Tomorrow he goes to the Brazilian capital, Brasilia. Official talks with the country's political leaders, including Presient Jose Sarney, will take place on Monday. On Tuesday Sorsa will continue his trip, through Sao Paulo, to the Peruvian capital, Lima, where he will take part in the Socialist International congress due to start on Friday.

11 PEOPLE KILLED DURING PARA LAND DISPUTE

PY141414 Paris AFP in Spanish 0005 GMT 13 Jun 86

[Text] The National Conference of Brazilian Bishops (CNBB) tonight reported that 11 people were killed on 10 June in Para State, in conflict over the possession of land.

According to CNBB spokesman who was interviewed by AFP, this event was reported to the CNBB General Secretariat today by a peasant whose identity was not disclosed because he has received a death threat. According to the peasant, 10 peasants and a gunman were killed in the incident which took place in the Sao Geraldo do Araguaia county. The gunman was hired by landowners, who had expelled several farmers and their families from their land.. The source added that the CNBB learned about the clash only today, when the first survivors of the bloody armed incident arrived in Parauna.

According to frequent reports by religious and lay organizations, violence in several Brazilian regions has increased in recent months because of the landowners' opposition to the agrarian reform. In May 1985 the Brazilian Government announed an agrarian reform program, which involved granting deeds to 7.1 million peasant families, to put an end to the bloody conflicts over land, which this year, according to official statistics, have killed more than 100 people.

3 Killed in Trairi

PY110400 Rio de Janeiro Radio Globo Network in Portuguese 0300 GMT 11 Jun 86

[Text] Manuel Verissimo Netto, 79, retired from the Fund for Social Assistance and Welfare for the Rural Worker [Funrural] and his two sons, Raimundo Verissino, 43, and Francisco Verissimo, 49, were murdered on the Jandaira farm, property of Fernando Coelho. This farm is located in the district of Trairi, 130 km from Fortaleza.

They were members of a group of 36 families that have agreed to a truce with the farm's owner. During the past few hours, however,the landowner hired several men to work the land, which angered the farmers. A hand-to-hand fight broke, resuling in the death of these three men. Another farmer, whose identity was not released, was wounded.

MILITARY MINISTERS REJECT REDUCTION OF DUTIES

PY110344 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 10 Jun 86 p 1

[Text] Yesterday the three military ministers ordered the group of officers that adivses the Provisional Commission for Constitutional Studies to carry out a detailed study of the draft drawn up by the commission. The bill would remove from the Armed Forces the responsibility of safeguarding the internal law and order. The ministers voiced their opposition to any changes in the text of the Constitution regarding to the military's duties. In the meantime, in Rio de Janeiro, lawyer Miguel Reale left the provisional committee meeting, protesting the inclination of the members of the commission to increase state control. He even threatened to withdraw from the commission. Reale reported "mistakes" in studies carried out by the commission, such as the handling of subjects which should be discussed in regular congressional sessions.

GUIMARAES SAID 'EAGER' TO RETURN TO WORK

PY161707 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 16 Jun 86

[Excerpt] Ulysses Guimaraes, the president of the Chamber of Deputies and PMDB President, continues to insist on resuming the direction of the Chamber of Deputies despite efforts being made by his relatives who seek to change his mind. His relatives would prefer him to go to the United States or the Soviet Union, where he would have a change to rest and continue his treatment.

Guimaraes has not yet confirmed the (?reasons) that will reportedly prevent him from assuming his duties as acting president of the Republic in July when Jose Sarney visits Italy to hold meetings with Pope John Paul II at the Vatican.

In the absence of Ulysses Guimaraes and Senate President Jose Fragelli, who are the constitutional substitutes for the president of the republic, Federal Supreme Court President Jose Carlos Moreira Alves will then assume the Presidency of the country.

Guimaraes has expressed his willlingness to run for president of the National Constituent Assembly, thus dismissing speculation that he may not run in the November elections due to health reasons.

ONE PERSON KILLED IN SUBWAY BOMB ATTACK

PY161527 Santiago Domestic Service in Spanish 1500 GMT 16 Jun 86

[Excerpt] Public Works Minister Brigadier General Bruno Siebert today was visibly upset by the news of the bomb attack perpetrated this morning at the Tobalada subway station in Santiago which killed one person and injured five others. Another attack was perpetrated at Los Heroes subway station. This bomb caused considerable damage but no casualties.

ARMY, POLICE REPRESS STUDENT DEMONSTRATIONS

PA170206 Paris AFP in Spanish 0112 GMT 17 Jun 86

[Text] Santiago, 16 Jun (AFP) -- More than 100 students and professors were arrested today in Santiago when Army and police forces broke into the universities where the 1st day of a "prolonged" student strike was underway, it was reported by the movements leaders. The strike was convoked by the council of the Student Federation of Chile, which is demanding that General Augusto Pinochet's government stop its intervention in the universities.

Most of the riots broke out at the Metropolitan University, around which the demonstrators set up road blocks to obstruct the passage of vehicles.

AFP correspondents observed that the demonstrators withdrew when armored vehicles arrived on which members of the military forces, who were heavily armed and had their faces painted black, were riding. The soldier cordoned off the entire zone, located in southern Santiago, supported by members of the Carabineros militarized police. They broke into the university campus, arresting at least 100 students.

Patrol cars were also used to evacuate the Chilean University's theatrical school, in downtown Santiago; its director, Patricio Campos, was arrested along with seven professors, spokesmen at the student's center reported.

Similar incidents were reported at Santiago University, the east campus of the Catholic University, and the Diego Portales University, where the police used water hoses and tear gas to repress the anti-government demonstrations.

COMBINED FORCES RAID TWO SANTIAGO SHANTYTOWNS

PY132359 Santiago Radio Chilena in Spanish 1700 GMT 13 Jun 86

[Text] Combined Army, Carabineros and civilian forces today once again carried out a very large dragnet operation in Santiago's southeastern sector. The forces, which were heavily armed and had their faces painted black, arrived very early this morning at the O'Higgins and Santa Julia shantytowns. The coordinator of the Msgr Oscar Romero Ecumenical Center, Osvaldo Ulloa, explained what took place today in those sectors of Greater Santiago.

[Begin recording] What is taking place at this minute is a repeat of what happened in other shantytowns, in other words, the surrounding and taking over of the sector by military and carabineros forces and security service personnel. [end recording]

Ulloa recalled that on 8 June Cardinal Juan Francisco Fresno visited the Santa Cruz Parish, which is located within the O'Higgins shantytown. Ulloa stated that the cardinal talked with the people and listened to their problems, while giving them the encouragement of the church of Santiago.

Ulloa has also stated that up to now it is not known how many persons have been detained during this dragnet, which was carried out in heavy rains.

[Begin recording] I do not know how many persons have been detained, but there seems to have been a large number of arrests, because they were seen leaving in closed trucks under military guard. It looks like those trucks were carrying detainees.

The houses were being raided and the men have been taken to football fields and are being held in the rain. This can cause serious health problems. [end recording]

Ulloa also stated that the combined forces were very violent, because the violent entry into the houses without authorization is a violation in itself.

An official report with the total number of persons that have been arrested, detained, and searched is expected within the next few hours.

NAVY PATROL KILLS TWO SUBVERSIVES IN VALPARAISO

PY132313 Paris AFP in Spanish 1622 GMT 13 Jun 86

[Text] Valparaiso, Chile, 13 Jun (AFP) -- It was officially reported today that two members of a subversive commando were shot to death last night when they clashed with a Navy patrol at the Chilean port of Valparaiso, 140 km west of Santiago.

A communique issued by the office of the emergency state zone chief states that the incident occurred while three subversives were planting explosive charges at a high-voltage power pylon in Ventanas district. The third member of the group managed to escape, and a member of the Navy patrol was injured by a grenade. The official communique states that the patrol also found 4 kg of ammonia gelatin, as well as other explosives, and firearms.

Two weeks ago another Navy patrol killed a fisherman and wounded another person after firing at them when they refused to obey an order to stop.

BOMB ATTACKS DELAY TRAIN DEPARTURE; NO CASUALTIES

PY132210 Santiago Domestic Service in Spanish 1700 GMT 13 Jun 86

[Relay from Concepcion]

[Text] Trains Nos 1010 and 1012, which cover the Concepcion-Alameda route, were delayed 3 and 4 hours respectively as a consequence of explosives planted at the foot of pylons. This information was confirmed this morning by an official of the Concepcion Carabineros station.

The attack was perpeterated at 2130 [0130 GMT] by members of the Manuel Rodriguez Patriotic Front at km 64 in the (Quihuallan) district at pylons nos 32, 33, and 34. The extent of the damage caused by the explosion has yet to be determined. However, the pylons were not knocked down. A fourth explosive device, which did not detonate, was found at pylon no 31. This explosive was deactivated by members of the security forces. It contained aluminum powder, saltpeter, and other elements. As a precaution, the departure of Santiago-bound Trains Nos 1010 and 1012 were momentarily delayed. Departures were normalized at 0200 according to railway authorities. No casualties were reported and it is believed that this attack was responsible for last night's power outage in Valdivia and (Quihuallan).

FOREIGN MINISTER DENIES PRC DELEGATION'S VISIT

PY161337 Asuncion EL DIARIO in Spanish 15 Jun 86 p 11

[Text] Foreign Minister Carlos Augusto Saldivar on 14 June stated to the press that "there has been no PRC delegation, and no delegation has arrived from Communist China. Some businessmen have come fron continental China to make contact with some local businessmen. They entered the country on tourist visas, and they have already departed."

This was the brief answer given by Foreign Minister Saldivar on 14 June when he was asked about the presence of a PRC delegation in Asuncion.

CHURCH BELLS RUNG FOR 'JUSTICE, PEACE, FREEDOM'

PY131944 Asuncion EL DIARIO in Spanish 13 Jun 86 pp 8-9

[Text] Under the auspices of the National Lay Group of the Paraguayan Episcopal Conference, and with the slogan "For social justice, freedom, and real peace," a campaign to ring the bells of various churches was held yesterday. At exactly 1200, bells were heard together with horns, pots, and other objects.

In some churches at the established hour the parishioners started banging objects which they had with them. On the streets of the San Antonio neighborhood numerous housewives could be heard banging on pots and pans.

In the Crucecita Church a group of youngsters banged on garbage containers and other objects which they had for the occasion. Meanwhile, a group of parishioners was praying inside.

Several Asuncion parishes participated in the campaign and rang their bells and banged other objects. The bells tolled until 1210, as had been requested by the organizers.

In the San Rafael Vicariate of the San Rafael neighborhood in Lambare, a group of parishioners reported that a neighbor had prevented the demonstration threatening the participants with a pistol. A woman resident reported: "At 1200 we gathered to participate in the demonstration, when one of our neighbors appeared unexpectedly and threatened to shoot if we continued banging on pots and pans. For that reason, we had to stop after only 2 minutes."

BOMB THREAT IN LIMA ACTIVATES SECURITY MEASURES

PA162312 Paris AFP in Spanish 2239 GMT 16 Jun 86

[Text] Lima, 16 Jun (AFP) -- A bomb alert at noon today mobilized the security forces which have beeen posted by the police in Lima's downtown sector since the socialist International women's congress began here. An anonymous telephone call prompted the evacuation of 500 students from the Secretarial Finishing School, which is located 100 meters from the San Martin Square and less than 200 meters from the heavily-guarded Sheraton Hotel, witnesses reported. Members of the anti-explosives squad checked the premises. They found a box with sticks of wood and a package of MRTA [Tupac Amaru Revolutionary Movement] flyers in the bathroom.

Meanwhile, approximately 2,000 policemen were guarding today a large sector of Lima's downtown area, in particular, the area around the Crillon Hotel, where the Socialist International women's congress is being held. The Socialist International congress will be held there on Sunday.

Policemen and soldiers in armored vehicles are patrolling the streets, patrol cars are at every crossroad, and policemen with dogs trained to detect explosives are watching the entrances of the hotels where the foreign socialist leaders are lodged. The guards have been reinforced at the Place D'Arms, in front of the presidential palace.

MRTA COMMUNIQUE ON CHURCH PROPOSAL, BOMB ATTACKS

PY161329 Lima Canal 9 Television Network in Spanish 0415 GMT 15 Jun 86

[Text] In a communique addressed to this television station, the Tupac Amaru Revolutionary Movement [MRTA] praised the church initiative in search of ways to pacify the country. The MRTA communique also reiterated its call to the progressive and democratic patriotic forces to form a democratic front to fight for justice and peace.

In addition, the MRTA claimed responsibility for the attacks perpetrated yesterday against eight Sedapal [drinking-water company] offices and two Electro Lima [electricity company] offices in Lima and in El Callao.

These attacks were perpetrated simultaneously at 2230 last night. There were no victims, but there was considerable damage. It has been reported that after the police intervention, several suspects were detained.

SANGUINETTI TO DISCUSS PROTECTIONISM WITH REAGAN

PY170256 Montevideo Radio Carve in Spanish 0001 GMT 16 Jun 86

[Excerpt] President Julio Maria Sanguinetti will tell U.S. President Ronald Reagan that his government intends to maintain democracy in Uruguay, to struggle against trade protectionism, which discriminates against Uruguayan goods, to promote foreign investments, and to continue making efforts in favor of continental peace.

Sanguinetti arrived in Washington today. His visit to the United States will last almost the entire week. The Uruguayan president was received as a chief of state who has been playing a highly moderate and constructive role in international affairs.

Sanguinetti will meet with Reagan at the White House, where the Uruguayan president will be received with full honors. After the welcoming ceremony, Sanguinetti will talk with Reagan for a little over half an hour. The issues that the two presidents will review will be discussed in depth later at the Department of State, where the visiting president will attend a luncheon hosted by Secretary of State George Shultz.

BRIEFS

NEW AMBASSADOR TO CUBA -- New Uruguayan Ambassador to Cuba Bernardo Rafael Pineyrua has presented his credentials to Cuban Foreign Minister Isidoro Malmierca. Pineyrua was appointed in December 1985 by President Julio Maria Sanguinetti, thus becoming the first Uruguayan ambassador to Cuba after relations were severed 21 years ago. Relations were resumed in October 1985. Retired Navy Captain Pineyrua arrived in Havana aboard the same plane that returned Cuban Vice President Carlos Rafael Rodriguez to his country after a tour through Latin America. [Text] [Montevideo Radio El Espectador Network in Spanish 0930 GMT 6 Jun 86 PY]

SANGUINETTI RECEIVES AMBASSADORS -- President Sanguinetti, accompanied by Foreign Minister Enrique Iglesias, today received the credentials of new Maltese Ambassador Raimundo Podesta and the farewell greetings of Iraqi Ambassador Mundhir Ahmad al-Mutlaq and Paraguayan Ambassador Miguel Romero, who ended their missions. [Summary] [Montevideo Radio El Espectador Network in Spanish 1600 GMT 12 Jun 86 PY]

PRC COMMERCIAL MISSION -- A mission of the PRC Council for the Promotion of International Trade, headed by Liu Shaoshan, arrived in Montevideo yesterday to explore possibilities of trade with Uruguay. The mission is interested in agricultural and livestock products, and especially in increasing its wool imports. It is also interested in selling manufactured products to Uruguay. [Summary] [Montevideo EL DIA in Spanish 4 Jun 86 p 16 PY]

SOVIET TROLLEY BUSES PURCHASED -- The Urban Transport Cooperative, Coptrol [Cooperative de Transporte Colectivo], has announced that it has reached an agreement to purchase 50 Soviet trolleybuses. The purchase comes under a trade agreement with the USSR that began on 15 March 1986. The cost of the trolleybuses total $4.5 million, and the Soviets are committed to purchase Uruguayan products for double that amount. [Summary] [Montevideo EL DIA in Spanish 3 Jun 86 p 12 PY]

MANAGUA RADIO INTERVIEWS GENERAL NORIEGA

PA170348 Managua International Service in Spanish 2230 GMT 16 Jun 86

[Passages within quotation marks recorded]

[Text] In exclusive statements to Nicaragua's foremost radio station, General Manuel Antonio Noriega, commander in chief of the Defense Forces of the Republic of Panama [FDP], said today: I am a nationalistic Panamanian who does not want a foreign presence in his territory. This is what he said:

"Torrijos received all of these threats, and they humiliated him and killed his mother, using all of these things as a basis. So, Noriega is getting it now. They want a subservient commander, a yes-man. I am not a yes-man. I am Panama's general and a nationalistic Panamanian who does not want any foreign presence in his territory. I follow this line and will stay on it because these are my armed forces and this is what we feel."

Regarding the accustions, which his country's democracy multiplied to discredit him, [passage as heard] Gen Noriega said:

"We have a dossier showing that they were laundering money, even with banks in Costa Rica, and that this is part of their campaign and of their assets. So -- referring to our nationals at least -- this is part of their sale of their soul to the devil."

Likewise, Noriega talked about the defense of the treaties, of the return of the Canal by the United States.

[Unidentified reporter, in progress] "... Panama and the application of those treaties; likewise, to comply with the agreements between Panama and the United States with regard to the Panama Canal?

[Noriega] "Look, it is not a man who is defending it. The Panamanian people are defending it, and the Panamanian people are not branded like gelded oxen. Panamanian people have historiclly struggled for their sovereignty and will continue to do so. They will never give up. So what is involved here is not a name or a man. It is people.

"Those bad Panamanians together with those bad North Americans will not succeed here in our country. They will not succeed. They are very much mistaken. They will continue investing all the money in the world they want but here, in this country, they will not succeed. We have youths here that are on the way back from a war they did not wage and who want peace." [sentence as heard]

Regarding the reactivation of Condeca [Central American Defense Council] in the Central American area, the FDP chief said:

"One cannot go into a war theater defenseless, unarmed. So, returning to Condeca, I say that [word indistinct], that Condeca is necessary, but not as Somoza-style Condeca. I think that Condeca is necessary but not with the parameters of Somoza's Praetorian guard. I view Condeca as something bigger, as an instrument of Central American integration, through which we Central Americans can analyze our reality, discuss, and criticize ourselves."

Finally, commenting on Nicaragua's situation, Gen Noriega implicitly condemned the war of aggression the United States is waging against it.

"Well, my message is that we need to produce more and not to wage war. We need our youth to have Christmas celebrations, to have joy, to have peace, to enjoy peace and not war. War leads ony to extermination, hatred, misery, hunger, and this is not what we want for the Nicaraguan people. What we want [for them] is joy -- the right and the joy of living -- and you will find all of us Panamanians following this line."

AUTHENTIC PANAMENIST PARTY ON NORIEGA CHARGES

PA161603 Panama City EL SIGLO in Spanish 16 Jun 86 p 1

[Communique of the Authentic Panamenist Party; issued in Panama City on 16 June]

[Text] Authentic Panamenist Party

Dr Arnulfo Arias Madrid, president and legal representative

Communique

The Authentic Panamenist Party, authorized mouthpiece of the national majorities, has been pointing out the military high command as a shame to the armed institute and as a mockery of the national diginity. Recently, the international press, radio, and television have been busy with the commander of this institution and have found in him the treacherous hypocrisy of the double agent, the savagery and cruelty of the unpunished murderer, the immoral mercantilism of the money launderer, the merciless genocide of the arms merchant, and the diabolic sadism of the drug trafficker.

The Panamanian people are aware of their duty to free themselves of the military high command, which is the soruce of corruption and decadence. The nation is looking forward to the happy moment when all Panamanians will unite efforts to have democracy, justice, freedom, and prosperity prevail in the isthmus, with the help of God.

Panama, 15 June 1986

Authentic Panamenist Party

Dr Arnulfo Arias Madrid

[Three illegible signatures]

PDC PRESIDENT ADVOCATES NORIEGA'S REMOVAL

PA160336 Panama City LA PRENSA in Spanish 15 Jun 86 p 1 A

[By Alfredo Jimenez Velez and Migdalia Fuentes de Pineda]

[Text] Various political and labor organizations reacted yesterday concerning the accusations made by the influential U.S. newspaper THE NEW YORK TIMES against Panamanian Armed Forces Commander General Manuel Antonio Noriega.

Their reactions indicate the need for the attorney general to begin an investigation of Gen Noriega's activities and added that he should be removed from his post.

Christian Democratic Party President Dr Ricardo Arias Calderon said in a communique, which he signed on behalf of the party: "The charges against Gen Noriega and his clique are really grave."

The PDC communique said that the reactions of President Delvalle and Gen Noriega, himself, were shameful in both form and nature. The communique said: "They repeated, in a tasteless way. the accusations of slander and treason without specifying names or giving any evidence. They evaded, with the rhetoric of a false nationalism, the need to explain if any espionage was carried out for Cuba and, particularly, for the CIA; if 10 automobiles were turned over to the Cuban Embassy; and if they have given clandestine facilities for U.S. Military and intelligence operations in the region, while claiming that they supported the Condatora Group.

The sitaution they have created is "defamatory and intolerable for our homeland," the PDC said, and added that the Panamanians demand a thorough change toward decency, democracy, and national dignity.

The PDC issued an urgent call to responsible officers and troops to immediately recognize the need for a new military leadership characterized by its integrity, constitutionalist spirit, and true patriotism.

'POLITICAL STORM' THREATENS TO ENGULF NORIEGA

PA161545 Panama City LA PRENSA in Spanish 15 Jun 86 p 30 A

["In A Few Words" column"]

[Text] The official reactions have been predictably and uniformly senseless. Totally disregarding common sense, [General Manuel Antonio] Noriega maintained the odd premise that the [NEW YORK TIMES] accusations against him are part of a plan aiming to avoid turning the Panama Canal over to Panama on 31 December 1999. He threatened to take the soldiers out of the barracks so that they can also pretend to hold political power, which they in fact already do.

[President Eric Arturo] Delvalle, pitiful Mr Delvalle, was even more illogical. He vowed that he would not allow the name of Noriega or Panama to be besmirched. (According to his view, Panama is Noriega; to attack Noriega is to attack Panama.) This nothing more than hot air. Delvalle can neither allow nor keep the world's free press from reporting on the criminal activities of his master.

During times that will never come again, the holders of world power arrogantly interfered in favor of a state of things which was intolerable for the Panamanian people. The gorillas, and the gorillas' dinner guests, were beside themselves with joy. Today, when the omelette has been flipped, they are tearing their hair out and crying bloody murder.

Earlier, [Colonel Roberto] Diaz Herrera had accused THE NEW YORK TIMES of yellow journalism. At this point it is worth noting that the author of that article enjoys solid and well deserved prestige. He won the Pulitzer Prize for a report exposing the vile My Lai massacre to the world.

He is the author of an NBC report unveiling the entire Watergate mess. In the face of his background (and THE NEW YORK TIMES' reputation as the most influential and respected newspaper in the United Sates), it takes a large dose of foolishness, ignorance, and rashness to utter such an irresponsible statement.

Moreover, it is painful that the Conato [National Council of Organized Workers] leadership has taken off its mask and come out int the open defending Noriega. They have done so invoking the holy name of the working movement, which did not authorize them to blemish in that way the Panamanian working class and compromise its future by linking it to the biggest scandal in our republican history. All of us knew about the ties binding these two-bit leaders to Noriega, and about the unconfessable services they have always rendered him. Why did they also have to smear themselves with drug trafficking, precisely when their mentors in the Caribbean are drawing away in horror from the Panamanian gorillas?

The sheep-like passivity of the political opposition parties is even less comprehensible. By now they should be speaking out as strongly and clearly as the exceptionally tragic moment we are living in demands. They all suspected the shady dealings involving Noriega and his comrade-in-arms. Today, they know with absolute certainty. Therefore, there is no excuse for them. What are they waiting for to act? They should have already demanded (as Legislator Antonio Arias did) the immediate separation of Noriega and his accomplices to investigate, without pressures and with absolute freedom and impartiality, the overwhelming accusations against him. They should have already summoned the Panamanian people to a gigantic demonstration, so that gorillas and the entire world will understand that we are not prepared to be ruled by common criminals who have turned the country into a paradise for embezzlers and mafiosi. That would be the first step toward a great campaign of national redemption that will necessarily have to end with the toppling of the regime. Under no circumstances can we accept the slap in the face which Noriega is planning to give the country this week by artificially staging a "demonstration" to support him with public employees and guardsmen disguised as civilians.

These are the first rumblings and dark clouds of the formidable political storm that will soon be unleashed on the isthmus (one has to be crazy to believe that Noriega and his buddies will survive the storm), the United States, and in many other countries. The United States will have to truly explain their unrestricted support for Noreiga when they knew since at least 1971 that he was a drug trafficker, a smuggler of weapons, and a double agent. For several months they positively knew that he had ordered Hugo Spadafora's murder. Much more: In the NBC report, it was disclosed that he owns a castle in southern France, besides having $100 million deposited in Zurich alone. The Cubans will also have to explain their support, no less unrestricted than the support of their avowed enemies, for over 15 years, because the Cuban Communists knew perfectly well about all these dealings. I doubt very much that the dialectics can absorb so many Himalayas of cocaine. The USSR is in the same situation. All of them must explain the unexplainable; for example, the Socialist Internationalist, Spanish Prime Minister Felipe Gonzalez, former Venezuelan President Carlos Andres Perez, former Costa Rican Presidents Jose Figueres, Daniel Oduber, and Luis Alberto Monge, Nicaraguan President Daniel Ortega, the Ebert Foundation, the German Social Democratic Party, the Swedes, specialists in taking on the appearance of social democrats, and [French President Francois Mitterand. The Israelis will have to explain their equally unrestricted support of Noriega, when they knew perfectly well that their protege was also at the service of [Libyan Leader Mu'ammar] al-Qadhdhafi and the PLO.

The latter must explain to their respective clients why they gave their unrestricted support to Israel's close ally in the region. The Colombian Government and Armed Forces must explain why they gave their unrestricted support to Noriega when the gringo U-2 airplanes have film showing the M-19 unloading cocaine at the Tocumen Military Airport and loading weapons given to them by uniformed members of the Panamanian Defense forces, and that these [Defense Forces] received Colombian guerrilas arriving from Cuba, gave them weapons, and shipped them to Colombia, why instead of cooling down, relations have heated up even more, almost reaching the boiling point. They have to explain that to the relatives of the Colombian soldiers killed in combat. I am impatiently waiting for those explanations. They should be very funny, but, most likely they will remain silent, something their Panamanian students failed to do, as they will be undone by their own statements, the compulsory garrulity which all of them suffer from.

Meanwhile,...on Friday, the general summoned all the military attaches of all the embassies in Panama (40 in all). He gave each one of them very expensive crystal table clocks. Later he gave them a lecture. "If the gringo government (those sons of ...) does not give him its apologies, he will expel from the country the entire gringo diplomatic staff, those sons of..., from the ambassador on down the line to the maid. [quotation marks as published] The man was totally uncontrollable. The military attaches listened to him with great disgust. The only one to support the speaker was...the Argentine military attache, a gorilla pining for the good old days of the dirty war.

REASONS FOR 'ATTACK' ON NORIEGA VIEWED

PA161711 Panama City MATUTINO in Spanish 16 Jun 86 p 4 A

["Let the People Judge" column by Ricardo Lince: "Why the Attacks on Noriega?"]

[Text] President Delvalle's pacifist policy within Contadora, with the support of General Manuel A. Noriega and the Panamanian people, is playing, in the eyes of the world, a vital role in the context of the most recent Latin American movement in search for political and economic unity initiated by Contadora and a group of South American nations. Panama has moved from a humiliating condition of tutelage and semi-independence to the condition of a country emancipated from U.S colonialism. Evidence of this is the Contadora Group peace act. This act studies, analyzes, examines, and scrutinizes all angles without letting itself be dragged by likes or dislikes, always working with facts and in line with the true situation.

Panama's new international image is the political heritage that Torrijos left us. Torrijos and his comrade-in-arms directed the people's discontent and, rising above the historic situation, set in motion their surprising military dynamism and put it at the service of the Republic's total independence.

The world saw with surprise and pleasure the skillful strategy and clever diplomatic maneuvers Panama used for the signing in Washington of the Torrijos-Carter Treaty and again, later, when it was to be ratified during a Senate session that ended with a positive "by a nose" decision. Latin America learned the lesson given by little Panama and took on the peace thesis that calls for putting the equality-of-the-states concept to a test of fire, on the negotiating table. Panama has left behind the sad role of one who has to abide by the mandates of U.S. foreign policy even if these make no sense to the people. It no longer has to unconditionally defend such mandates.

That role is being played now by poor neighbors who are now in a phase that we Panamanians have already burned up. This is not a plot made up by foreign ideologies. In today's Panama no one feels hatred for the United States, but there is no unconditional devotion either.

Delvalle's policy, backed by Noriega in the search for peace, has upset Reagan's rules of the game for Central America. It has not been necessary to wait too long for some twisted answer: divide and conquer. The attack on Noriega is not a superficial one, it is directed at the nation itself. The purpose of the attack is to tell the world that there is administrative incompetence as well as moral degeneration in the Panamanian civilian government and in the military sector and that these are the people who would manage the Panama Canal. The message to those who use the canal facilities is: The key cannot be given to the thief.

Panama's mature diplomacy has made evident what the main issue is. The forthcoming meeting of presidents convoked by Delvalle to establish a policy on the huge foreign debts so that it will not represent sacrifices to the people has been like an invitation to destroy the Panamanian process because such a meeting makes the U.S. and world banking systems shake. There is the U.S. desire to control the secrecy status of Panama's banking system. The formula for the attack was taken from Panamanian politicians sunk in shame for laundering dollars stained in U.S. organized crime's dung hills. The adventuresomeness of THE NEW YORK TIMES has been used in a desperate effort to eliminate Noriega, Torrijos' heir, and to give political significance to common crimes in a bid to shift attention from those who stained and blamed, are serving as pawns, as the hands of U.S. interests. In their discrediting work, they are resorting to the journalistic technique of psychological manipulation of the fears, anxiety, hostility, and hatred among groups to move frustrated minorities into carrying out seditious activities. They build up their campaigns on the mountains of hatred they promote with monkish fervor. They picked Noriega as a target. Later they will undermine Delvalle. This is why they are attacking Noriega.

ACCUSATIONS AGAINST NORIEGA SEEN LINKED TO CANAL

PA161428 Panama City LA REPUBLICA in Spanish 15 Jun 86 p 6 A

["Vox Populi" column by Luis Restrepo -- upper case passages as published]

[Text] Time flies, and we will soon reach 1 January 1990, when one of our country's most important events will take place. On that day, in accordance with Paragraph 3 (d) of Article 3 in the Panama Canal Treaty, a Panamanian will take over the Panama Canal's administration.

The closer we get to that important date for Panama and Panamanians, the rallying call General Omar Torrijos issued when referring to the signature and implementation of the Panama Canal Treaty gains relevance at the national and international level. Torrijos was not mistaken when he warned the Panamanian people: "We have achieved progress, but the struggle continues." He was warning all of us that, as long as the treaty was being implemented and perhaps even later, this and the next generations would have to wage a permanent struggle so that our achievements are respected, and to do away with the colonialist dregs which still prevail and are encouraged by elements which are known as "zonians;" according to them, the Canal should never be turned over to the Republic of Panama.

Gen Torrijos withstood undescribable pressures to accept the fact that the United States had to reopen the negotiations to establish a more adequate order of things for its national security, and so that what they called "the nation's vital interests prevailed over the Republic of Panama's vital interests. [quotation marks as published]

Pressures against Gen Torrijos in 1981 went to the extreme of a clear U.S. interventionism in matters which only concerned Panamanian sovereignty. General Alexander Haig, secretary of state in that northern nation, sent President Dr Aristides Royo and Gen Torrijos what he described as a "verbal note," in which he suggested that the Panamanian leaders break diplomatic relations with Cuba and that they not allow Cuban fishing boats in Panamanian waters, and he warned the Panamanian Government that the Cuban boats were used for drug and weapons trafficking in Central America. Torrijos answered the American official with the dignity that the situation demanded and said: "I will consider this message as not received, because it was sent to the wrong addressee." In addition, Royo warned Haig that we will have violence in Panama on the day that we persecute ideologies. The northern nation then changed tactics and began a defamatory campaign against the Panamanian leaders; this campaign has increased in recent months because, as I said, 1 JANUARY 1990 IS COMING CLOSER AND, ON THAT DAY A PANAMANIAN WILL TAKE OVER THE CANAL'S ADMINISTRATION UP TO THE YEAR 2000 AND BEYOND.

General Manuel Antonio Noriega issued some statements a few days ago and implied that the accusations against him are issued by the same State Department circles which issued accusations against Torrijos. Gen Noriega says they will have to turn over the Canal when the current treaty expires on 31 December 1999 at 1200. Gen Noriega's accusations that the United States is maneuvering so that the treaty is not implemented and we do not get the Canal are acceptable for those of us who have closely followed the aggressor's steps; these aggressions fit the pattern of aggressions against Panamanians, such as Guillermo Andreve in 1917, Domingo H. Turner in 1925, and the 9 January 1964 military aggressions.

Torrijos was accused in the past of trafficking weapons and drugs, and other infamous things like participating in the Central American people's struggle for liberty.

NOW NORIEGA IS BEING ACCUSED IN A BROADER WAY, perhaps because the White House is eager to unleash violence in Panama so that it may then refuse to return the Canal to the Panamanians, claiming there is not stability and there are guerillas on either side on the Panama Canal.

I repeat: Those of us who have closely followed the aggressor's steps know the same methods are being used with variants which are adequate to the current situation. This includes the massive use of news media to distort the truth and get international collaboration to carry out the plan.

MATUTINO STRESSES SOLIDARITY WITH NORIEGA

PA162327 Panama City MATUTINO in Spanish 16 Jun 86 pp 4 A 6 B

["The People's Compass" column by Adolfo Benedetti]

[Text] The monolithic solidary of all the entities that compose the Panamanian state, and that of the political parties that compose UNADE [National Democratic Union] with General Manuel Antonio Noriega, represents a clear indication that the maneuvers prepared in secret gatherings in imperialism's home will be clearly and flatly rejected by Panamanians who are aware of their historic function, and of their duty as servants of the national cause.

Those who have set in motion this campaign to discredit the top leader of our armed institution never imagined that the plot would be torn to pieces as a result of an immediate reaction, which, significantly, was unanimous, a reaction that reflects the attitude of the Panamanian people who have disregarded as vile slander all the lies that those who have an insane appetite for power and who would like to introduce destabilization and chaos into our republican development have launched.

Never before has a Latin American military leader been the object of such a campaign of insults and charges as General Noriega has. Never before, either, was there such a flat rejection of the charges, the authors of which cannot remain unidentified for very long because they are detectable.

The very nature of the charges, which lack credibility, clearly reveal that they are nothing but the product of minds burning-up with political fantasies. With their feverish plotting they have uncovered the origin of the plot because there is a significant coincidence between what is said in Panama and what is said in the U.S. sounding box.

It is not enough to back tendentious and artificial reports by invoking alleged "important officials of the U.S. intelligence services" or "sources close to the White House," to make those reports credible. The Panamanian people are used to journalistic monsters who are put out everytime that attempts are made to torpedo independent and neutral governments, or to cover up violations of the Torrijos-Carter Treaties to impede their correct application.

U.S. journalism has written one of its darkest pages with this type of poor-taste and poorly prepared chronicle which the pen pushers at the service of plutocracy and open neocolonialism have prepared for us with vile and disturbing purpose. The entire plot will be deactivated by a calm position of the Panamanian people and government at this decisive and most important moment.

EL SALVADOR

DUARTE OVERTURES SEEN AS DISGUISE FOR REPRESSION

PA161649 (Clandestine) Radio Venceremos in Spanish to El Salvador 1400 GMT 15 Jun 86

[Text] Every step that Napoleon Duarte has taken in the dialogue process corresponds exactly to the political needs of the Reagan administration at the particular time. For example, at the La Palma meeting, the United States tried to give its puppet a democratic and prodialogue image in the international sphere. The La Palma meeting was conceived by Duarte and the north Americans as a show [preceding word in English]

Duarte's proposal of simultaneous dialogues, involving the Somozist criminals, was also dictated by Washington to give encouragement and $100 million to the counterrevolutionary army, which is being strategically defeated.

Now Duarte has finally agreed to this third meeting, but he does so to cover up a bloody escalation of repression. It is clear that the Duarte proposal is linked to repression. Proof of this are the latest murders committed by the repressive forces, the murders of industrialist Rafael Sandoval, a psychology student, and an unidentified youth in Zacatecoluca. These were some of the victims of the regime's repressive forces in their escalation of terror. Human rights activists arrested, blue-and white-collar workers dismissed, and military sieges of, and violent incursions into work centers are also basic components of the regime's new escalation of repression.

Judging by the facts, Napoleon Duarte, obeying U.S. Embassy orders, wants to have all this time to carry out a dirty game; a deadly game that consists of trying to distract attention toward the dialogue while the repressive forces and the Army systematically kill, arrest, and spirit away dozens of Salvadorans.

Napoleon Duarte has been scheming with the puppet High Command to have the dialogue offset by repression. In this way, while the military take care of the murders and arrests, Durate covers for them with the dialogue and at the same time he uses the dialogue to improve his political image in a dirty game that could well be called dialogue with repression.

It is obvious that popular discontent, worsened by such measures as the Duarte packaged swindle, have the North Americans worried. Duarte and the military expect to squash that discontent and to halt the popular movement by applying more repression. On other occasions they have covered up repression with so-called economic reforms. Now they hope to cover up repression with dialogue. This maneuver, this dirty game of dialogue with repression, undermines the possibilities of the third dialogue meeting.

The FMLN will not lend itself at any time to a maneuver that will mean death to and arrests of the people. We are always willing to seek a political solution through dialogue and negotiation in the search for a just peace, but we are unwilling to lend ourselves to a maneuver to cover up a new escalation of repression.

If our people's desire is for the puppet to go, we shall also hoist this banner of the people. We shall not turn ourselves into the puppet's life preserver.

GUATEMALA

CAR EXPLODES; U.S. CITIZEN KILLED AT SCENE

PA161818 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 16 Jun 86

[Text] While the government is implementing measures to counter violence, vicious incidents continued in this city.

U.S. citizen Norma Jane Wagon, 45, who was reportedly a member of the Jehovah's Witnesses religious group, burned to death inside her car following an explosion. [as heard] The incident occurred at 11th Street and 3d Avenue in the Atlantida neighborhood in Zone 18.

Unidentified individuals took her to the place where the explosion took place, supposedly killed her, and then left her in the front seat. The vehicle's four doors had been locked, apparently so that her body could not be rescued when the fire started. Nearby residents immediately tried to help her, but were unable to open the doors. They then used a hammer to shatter the windows; however, the flames coming out of the car forced all the volunteers to leave the area.

There is no information yet on what caused the explosion; therefore, police authorities are investigating the case.

PSD LEADER VIEWS NATIONAL 'POLITICAL VIOLENCE'

PA162325 Panama City ACAN in Spanish 2010 GMT 16 Jun 86

[By Oscar Rene Oliva]

[Excerpt] Guatemala, 15 Jun (ACAN-EFE) -- Today, Mario Solorzano, top leader of the Democratic Socialist Party, PSD, said that the worsening of the political violence "endangers the Guatemalan democratic process."

Since Christian Democrat Vinicio Cerezo was inaugurated on 14 January of this year -- after 16 years of military governments -- some 100 persons have been killed or wounded in political violence, and more than 120 people are missing, according to human rights organization leaders.

In a bulletin sent to the local media, Solorzano said: "The dictatorship has not ended yet, and specific measures are required from the Guatemalan Government to guarantee the people's security." The PSD leader said that unless the authorities do something to stop the "obvious deterioration of the people's security, it cannot be said that the dictatorship is over." Solorzano stated: "It is not possible that Guatemala can continue to live the long night of terror which, for more than 30 years, has cut off the lives of the most illustrious sons of the fatherland."

Solorzano added that if the Guatemalan people placed their trust in the Christian Democrats, this was "in expectation of specific answers to situations that people were enduring in the past and that still persist today, for example, the political violence."

The PSD became an open party in January 1985 and obtained two seats in the Legislative Assembly in the November 1985 elections.

Solorzano affirmed: "Violence has sowed a sort of confusion and expectation among the people. However, the fact that a civilian government is in power does not necessarily imply that authoritarianism will disappear."

CHURCH IN EXILE SENDS LETTER TO PRESIDENT CEREZO

PA151533 Panama City DIALOGO SOCIAL In Spanish Jun 86, inside front cover

[Open letter to President Vinicio Cerezo Arevalo from the Guatemalan Church in Exile, dated 23 May; no place given]

[Excerpts] Mr President, Marco Vinicio Cerezo Arevalo:

The priests, nuns, and laymen organized in the Guatemalan Church in Exile address you in an act of faith and conscienciousness, to inform you of the following:

1. When you, Mr President, took office on 14 January 1986, in your inaugural speech you told the Guatemalan people and the international community that your government plan would involve "establishing the common well-being and respect form human dignity as the beginning and end" of your government.

2. A few hours after making this promise, during the Te Deum at the Metropolitan Cathedral, our Archbishop Msgr Prospero Penados del Barrio reminded you and your entourage that "the church feels the need to be the prophetic voice that rejects all efforts and attitudes that go against the achievement of the common well-being in its deepest sense; that is, that go against the dignity of humanity, or that make governments or the social or economic forces wield power arbitrarily." At the same time Msgr Prospero Penados, due to his mission as a pastor, from that moment urged you "on behalf of all our people, to promote a true cleansing of the public administration so that once corruption has been overcome, a deep feeling of honesty, respect, and service for the Guatemalan people will be experienced at all state institutions."

3. Three months after you took office as president of the Republic and the church had made its demands on behalf of the people, your government named General Rodolfo Lobos Zamora, former chief of the Army General Staff during General Oscar Mejia Victores' regime, Guatemalan ambassador to Panama, despite our people's protests and indignation over his being named, and against the Mutual Support Group (GAM) request that Lobos Zamora not be allowed to leave the country "until his responsibility in the violation of human rights had been clarified."

4. The Guatemalan Church in Exile, as part of the Guatemalan Church, feels the need once more to prophetically report to the world and the Guatemalan Government some of the murders and repressive actions against the church and the Guatemalan people, for which Gen Rodolfo Lobos Zamora is directly responsible. We will limit ourselves to the 1978-1982 period in which Gen Rodolfo Lobos Zamora was the commander responsible for the "Mariscal Gregorio Solares" military zone, first in El Quiche and later in Huehuetenango.

5. Because it is impossible to mention all of the repressive incidents of which Gen Rodolfo Lobos Zamora is directly responsible, we enclose in a separate document, Mr President, a report on 38 other massacres committed in El Quiche and Huehuetenango Departments by troops directed by Gen Rodolfo Lobos Zamora.

6. We feel that the incidents mentioned -- of which there are hundreds of survivors and witnesses -- are proof that Gen Rodolfo Lobos Zamora is one of the leading assassins and criminals in Guatemalan history. He is responsible for genocide and crimes against humanity.

7. Despite your position and the opinion you have often expressed during these 4 months of government to the effect that "the past must be forgotten" to begin to build a new Guatemala, although what you are proposing is not a judgment but the truth and the search for peace, we as Christians say that there can be no respect for human dignity, search for the common well-being, peace, or authentic democracy that do not meet the demands and the realization of justice.

8. Therefore, we demand, uniting our voices with those of thousands of widows and orphans in El Quiche and Huehuetenango, with the voices of the people displaced from those departments due to the Army's violence, who have been scattered throughout the national geography despite the protests of thousands of refugees from El Quiche and Huehuetenango who have sought refuge abroad, despite the protests of the GAM and the protests of our own hierarchy which recently issued a statement saying "we are not asking for vengeance, only justice":

First: We ask that your government remove Gen Rodolfo Lobos Zamora as Guatemalan ambassador to Panama;

Second: that your government make him return to the country;

Third: that he be tried by the legal courts of the Republic.

9. If these demands are not fulfilled, we will accuse you and your government of concealing crimes against the Guatemalan people.

Attentively,

Guatemalan Church in Exile

23 May 1986

HONDURAS

PINU LEADER CRITICIZES 'SUBSERVIENCE' TO U.S.

PA161756 Tegucigalpa Voz de Honduras in Spanish 1130 GMT 16 Jun 86

[By Julio Armando Valdes]

[Text] The government of the Republic, through the U.S. Embassy in our country, should demand of the U.S. Senate and House the authentic proof of the charges involving General Walter Lopez Reyes.

German Leitzelar, president of the Innovation and Unity Party, PINU, has made the following analysis of the situation.

[Begin recording] [Leitzelar] The problem is the total silence by the Honduran authorities toward this kind of affront, which shows one more time a clear attitude of subservience and humiliation toward a country like the United States. Rather, it is not a subservience toward the country itself, but toward some sectors of the U.S. Government, which are always involving Honduras in this sort of problem. If we asked ourselves how much we are responsible for being involved in this kind of accusation, we would have to conclude that it is our responsibility. We Hondurans, our government, are responsible for not being respected, for not being regarded with dignity abroad, due to the subservient attitude that has always prevailed, and also because we have always been more vigilant about the interest of others than of our own national interests.

[Valdes] Should the Foreign Ministry initiate the corresponding protest, or are there other primary mechanisms to investigate and then present the protest?

[Leitzelar] Shoiuld an international protest be made, with grounds, and if such a protest involves government officials, and if it endangers the image of the country, not only the image, but also our government's behavior, then it is necessary to perform internal investigations. However, I believe that for those internal investigations, the government of the Republic should summon the United States through its representative in Honduras, the U.S. Embassy, to present the proof, and to justify or provide grounds for those accusations against former Army and government officials regarding the management of funds granted for matters that involve the country. Further, such accusations involve the country in an intervention in the internal affairs of other Central American nations.

I believe that with all seriousness the government, as the Mexican Government did, should demand that the U.S. Government clarify this situation. Should there not be sufficient proof of the involvement of officials from the Honduran Government, as Dr Sosa [not further identified] said, the government should also demand international and public apologies.

[Valdes] Do you believe that the counterrevolutionaries, or the contras, or what Reagan has called the freedom fighters, who struggle for the freedom of Nicaragua should also make any statements, or should they not intervene any further in this matter?

[Leitzelar] Well, I believe that the sector known as the contras should not be taken into account by us. We cannot give more assistance to those groups than what they have been given so far. They have received shelter in our country, they have been allowed to carry out actions, they have been allowed to maintain a troublesome situation in Nicaragua, they have been allowed to force the Nicaraguan Government to allocate funds for arms and protection, when such funds could have been used for social development purposes, due to the permanent aggressive situation maintained by these people. This in particular shows and confirms that our position of demanding that the government make a clear definition of their stance on the existence of these armed groups in the country and on their possible expulsion is necessary. We can see an example. Let's ask ourselves, or rather have the Honduran people ask why Costa Rica or Costa Rican officials are not involved in reports like the present one. There is a plan and simple reason: because the Costa Rican Government has maintained its virtue of national unity. The Costa Rican Government has maintained its clear and defined position on the Nicaraguan problem. The Nicaraguan [as heard] government has never served as the head of the bridge for foreign troops or for military groups clandestinely organized, with interventionist intentions in another country and with that kind of protection. I believe that this should lead all Honduran Government officials, all Honduran people to think about this and realize that it is necessary to maintain a position of international dignity to not be involved in this kind of situation. That is, one must not only pretend one is honest, one must be honest in practice. [end recording]

BRIEFS

NEW AMBASSADORS PRESENT CREDENTIALS -- Francisco de Nittis, the new nuncio for Honduras and Nicaragua, presented his credentials yesterday to President Jose Azcona Hoyo. Francisco de Nittis was previously nuncio and dean of the diplomatic corps in El Salvador. Sirajaya Buddhi-Baedya, new ambassador from Thailand, also presented his credentials to President Jose Azcona Hoyo yesterday. [Excerpts] [San Pedro Sula TIEMPO in Spanish 6 Jun 86 p 5 PA]

PRESIDENT ORTEGA TO VISIT ALGERIA IN AUGUST

PA160345 Madrid EFE in Spanish 2200 GMT 15 Jun 86

[Text] Algeria, 15 Jun (EFE) -- Vice President Sergio Ramirez ended an official visit to Algeria, which was based on a request made by the Sandinist government to win the presidency of the Nonaligned Movement in 1989. Ramirez was received by President Chadli Bendjedid, to whom he delivered a message from Nicaraguan President Daniel Ortega.

During a meeting with reporters before leaving Algeria, the vice president described his visit to this country as positive and announced that President Daniel Ortega will visit Algeria officially in August of this year. Following his visit to Algeria, the president will visit Harare to participate in the nonaligned "summit."

Ramirez noted that, on the occasion of Ortega's visit, the two countries will sign an economic cooperation agreement, whose principal lines have been defined here with the proper Algerian officials by the other members of the Nicaraguan delegation: Foreign Trade Minister Alejandro Martinez and Deputy Foreign Minister Javier Chamorro.

BOS CLAIMS MORE THAN 130 EPS CASUALTIES

PA152200 Panama City ACAN in Spanish 1610 GMT 15 Jun 86

[Text] San Jose, 15 Jun (ACAN-EFE) -- Today the anti-Sandinist Southern Opposition Bloc, BOS, affirmed that it has caused more than 130 casualties to the Sandinist Army, counting dead and wounded, during the month of May.

In a press communique, the rebel forces have listed 23 military actions between 6-28 May against objectives of the EPS, causing 67 killed and 66 wounded.

These actions, which consisted of ambushes and harassment clashes, developed south of M Managua, near Nueva Guinea in Agua Zarca, Serrano, San Pablo, Colonia Yolaina, Comarca San Jose, San Pablo, and Colonia La Providencia, among others.

The BOS communique says: "One more time we state our unswerving determination to continue our struggle until we achieve the democracy and the freedom of our fatherland."

This group has gathered part of the men who struggled with Eden Pastora, who resigned from the armed struggle on 16 May 1986. Pastora requested political asylum in Costa Rica because he believed he had been a victim of a CIA blockade, which made a triumph against the Sandinist government impossible for him.

DPRK FOREIGN TRADE MINISTER CONCLUDES VISIT

FL131739 Havana Television Service in Spanish 1700 GMT 13 Jun 86

[Text] DPRK Foreign Trade Minister Choe Chon-kun returned to his country last night after participating in the 10th session of the Cuban Korean intergovernmental commission on economic and scientific-technical cooperation held in Havana. He was accompanied to the airport by Cuban Foreign Trade Minister Ricardo Cabrisas. The two ministers expressed their satisfaction with the agreements signed during these conversations which provide joint cooperaton for 1986-1987.

RODRIGUEZ MEETS WITH ANGOLAN POLITBURO MEMBER

FL131144 Havana Radio Progreso Network in Spanish 1100 13 Jun 86

[Text] Politburo member Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, has met in Havana with Maria Mambo, member of the Politburo and Secretariat and on existing economic and cooperation agreements of the MPLA [Popular Movement for the Liberation of Angola] and economic secretary of state. During the cordial and friendly meeting the two leaders exchanged opinions on the Cuban and Angolan economies and on existing economic and cooperation agreements.

FLAVIO BRAVO ON OFFICIAL VISIT TO FINLAND

PA112055 Havana International Service in Spanish 1600 GMT 11 June 86

[Text] Flavio Bravo, president of the Cuban National Assembly of the People's Government, has met in Helsinki with his Finnish counterpart Erkki Pystynen as part of his official visit to that country, which he began on 8 June.

Bravo held a friendly dialogue with his host after touring Helsinki and attending a plenary session of the Finnish parliament. Bravo also met with Finnish foreign Affairs Minister Paavo Varyrynen and was honored by Helsinki Mayor [name indistinct].

USSR CONFERS MEDAL ON AMBASSADOR SOTO

FL161822 Havana Television Service in Spanish 1700 GMT 16 Jun 86

[Text] The Presidium of the USSR Supreme Soviet has bestowed on Lionel Soto Prieto, Cuban Ambassador to the USSR, the Friendship With the People's Order. The decoration was conferred on the Communist Party of Cuba Secretariat member for his active work in strengthening friendship and cooperation between the Soviet Union and Cuba. Lionel Soto will end his mission as ambassador to the USSR within the next few days.

'OUR AMERICA': FUTURE DEPENDS ON CONTADORA

PA112234 Havana International Service in Spanish 2300 GMT 10 Jun 86

["Our America" commentary]

[Text] The statement by the reliable Polish newspaper TRYBUNA LUDU saying that the path of negotiations is the only one leading to peace in Central America is particularly important new that the foreign ministers of the Contadora and Support Groups have just concluded a new meeting in Panama City. According to some U.S. allies in Central America, Contadora is dying, yet this opinion only plays into the hands of those who would surely like the negotiations to fail and open the way for direct military intervention in the area.

The so-called Panama Declaration signed by the Contadora and Support Group foreign ministers says in one of its points that it would be illusory to think that the drafting of a treaty alone will solve the crisis. The message stressed the need for progress in the creation of adequate conditions for signing the peace document.

As everyone knows, most of the Central American countries depend on Washington politically, economically, and militarily. This dependency is the main obstacle to the crystallization of peace. This situation, which the U.S. Government has manipulated again and again, also helps to obstruct the talks and influences the stances that dependent nations assume at given times. Such is the case with Honduras, Costa Rica, Guatemala, and El Salvador. The White House sabotages constantly and in several ways the Contadora Group's peace efforts and blames Nicaragua for not achieving a peace accord. In this way Washington justifies its aggressive stance, while it continues its terrorist activities against the Sandinist revolution.

Despite this, Nicaragua presented at the end of May a list of 14 points about armaments that it is willing to reduce, limit, regulate, and eliminate. Nicaragua set forth very clearly its willingness to negotiate the most important points still pending. It is worthwhile stressing that such points -- security, armaments, and military exercises -- were not specifically analyzed during the most recent meeting of the Contadora and Support Groups. These topics, however, were mentioned in the Panama Declaration. Hopefully they will be thoroughly discussed in coming meetings.

Referring to this, Nicaraguan President Daniel Ortega said on Sunday that it is up to the United States to truly support Contadora, but that the U.S. Administration really oppose a political solution and simultaneously tries to argue for democracy. Ortega pointed out that while Nicaragua has offered a serious, considered, and realistic response about the important topics related to military exercises and armaments, the United States shuns discussion of these matters, regarding which there must be reciprocity among all the Central American countries. This leaves only one valid way to solve the Central American conflict: the peace negotiations sponsored by the Contadora Group. The region's future depends on the results of these negotiations.

U.S. 'PRESSURES' MEXICO BECAUSE OF FOREIGN POLICY

PA131611 Havana International Service in Spanish 2300 GMT 12 Jun 86

["Our America" commentary, read by Norberto Hernandez]

[Text] In view of the increasing rumors that Mexico would declare a moratorium on the payment of its foreign debt, President Miguel de la Madrid has stated that despite the political and economic pressures, the servicing of the foreign debt will be adjusted to the nation's real payment capacity. Some months ago more than 100 labor organizatins headed by the union of the Autonomous University of Mexico held a huge demonstration in Mexico City's main streets to demand the cancellation or suspension of the payment of the foreign debt service. It must be added that Mexican Government officials have said that the country cannot meet its payments. In this regard, Finance Secretary Jesus Silva Herzog has not ruled out the possibility of a moratorium. On Monday Foreign Secretary Bernardo Sepulveda said in the United States that Mexico's foreign debt is unpayable.

At this time, Mexico's foreign debt amounts to $100 billion. This means that each of the country's 80 million inhabitants owes the private banks approximately $1,200. This is a real situation whose short-term solution is not in sight, especially if one bears in mind that the price of petroleum -- one of the main sources of economic wealth for this Latin American nation -- is not very likely to recover and increase to the point it had reached some time ago.

The Mexican economic crises is not very different from the one in other Latin American countries. However, since May there has been an increase in the U.S. pressures on the Miguel de la Madrid government. Although some might think that the Mexican rejection of the inoperative Baker Plan might be the reason for the attacks, it is opportune to point out that the Mexican Government's reaction was identical to the one provoked by the aforementioned U.S. invention in other debtor nations.

The fact is that approximately 1 month ago, U.S. officials accused Mexico of being the main cause of the drug trafficking in the region and of mishandling its economic affairs. Such meddling provoked countless protests by official sectors and diverse Mexican sectors. With absolute certainty, it can be stated that the attacks and the campaign of discredit unleashed by the United States against Mexico stem from the honorable foreign policy that this nation has maintained throughout its entire history.

In the sixties Mexico courageously stood up to the U.S. authorities and maintained relations with Cuba at a time when other nations did just the opposite and joined the inhuman blockade ordered by the arrogant U.S. Administration. At this time Mexico is one of the main promoters of the establishment of a new international economic order. It is a member of the New Delhi group, formed by several governments that resolutely advocate disarmament. It also holds a very prominent role in the Contadora Group's peace efforts.

In this regard, President De la Madrid said on Tuesday that his government is on the right path when it fulfills its peace mission in Central America, and he criticized any economic reprisals against his country due to this position. I refuse to agree with what some say about Mexico doing whatever the United States orders so that money will come, the president said, adding: Dignity cannot be exchanged for lentils.

DOMINICA

DOUGLAS ON NEW TREND IN CARIBBEAN POLITICS

FL161851 Bridgetown CANA in English 1822 GMT 16 Jun 86

[Text] Roseau, Dominica, June 16, CANA -- Dominica's opposition leader Michael Douglas says the recent election victory by the Democratic Labour Party (DLP) in Barbados and the popularity of the People's National Party (PNP) in Jamaica showed that Caribbean politics was entering a new era. The trend is now definitely against the right-wing free marketeers, and into a new era of social democracy, Douglas said.

In a CANA interview, he explained that the new Barbados Government would take the Caribbean away from the obvious dependency and slave mentality that has dogged the parties of the right in the past seven to ten years. He said the new Barbados Government was more of a working-class administration...very democratically for the people in the majority sense, and not just for a clique of people.

We are in for a new era in Caribbean politics. An era, where people will have to understand the nature of ideological pluralism, Douglas added. He continued people will have to move more towards accepting objective criticism...people are going to be questioned more now, and we would hope that people will not be short-tempered but will accept those objective criticisms which are likely to be coming from people with a different ideology in power.

Douglas said comments by the new Barbados Prime Minister Errol Barrow, criticising his Dominica counterpart Eugenia Charles as being not suited for the politics of this day and age was an example of such objective criticism. But though the Dominica politician agreed with Barrow's opinion about Miss Charles, he said as a foreign head of state...if I was in Mr Barrow's position, I would have mixed my criticism with a little bit more diplomatic nicety.

Douglas, who says he is a social democrat, was critical of what he called the Charles administration's total dependence on the United States, and urged that although Dominica needed a massive injection of foreign capital, the government's business was to equip its people to become masters of their own destiny so that tomorrow they can act in their own essential interests.

But Douglas said since his party was non-aligned, if it formed the Dominica Government, he would continue to tap United States funds since the island was located in the front garden of the U.S. However, his party would have no part in the U.S.-assisted regional security force. We do not see it (the forcce) as an institution the Caribbean really needs at this time. We do not see the threat, the communist bogie, the seems to be the basis for the enlargement and the creation of the regional security force, Douglas said. But he did not rule out bilateral arrangements to protect and to give integrity to our national boundaries.

Douglas, who recently had meetings with politiccal parties in St Lucia, Barbados, Guyana, and St Lucia, shared last week's call for a regional federation by the president of the Caribbean Development Bank William Demas. But he felt that the region's governments were unlikely to give up the national authority that is inherent in a federal status and he did not think such a federation would be a reality during his lifetime. He said there was the need to educate Caribbean people to make them understand that there is no future for the region without greater cementation of the integration process.

DLP'S MILLS TO PUSH FOR DOUGLAS REMOVAL

FL161919 Bridgetown CANA in English 1857 GMT 16 Jun 86

[Text] Roseau, Dominica, June 16, CANA -- The Dominica Labour Party (DLP) candidate in a by-election last month says he will continue to push for the removal of Michael Douglas as party leader. Differences between Douglas and defeated candidate Roosie Mills led to the withdrawal of Douglas from the election campaign in an unprecedented move which Douglas said was aimed at disciplining Mills since he was a bad candidate.

Mills told CANA that he was seeking support for the sacking of Douglas from the party at the next DLP convention scheduled for August 30-31. Mills claimed that since the party's executive had endorsed him as a candidate and Douglas had refused to support him, the political leader should be rejected and should be thrown out of the party at the convention. He added: I am making sure that this happens...by going out to the various constituency branches and talking to them.

Douglas said at the weekend he too had been making rounds to make his position clear, and he expressed the view that the DLP executive wouldn't have any credibility if it tolerated Mills any longer. The opposition leader also said he did not think his leadership was in danger.

JAMAICA

SEAGA DENIES ELECTIONS POSTPONEMENT PLANS

FL161545 Bridgetown CANA in English 1535 GMT 16 Jun 86

[Text] Kingston, Jamaica, June 16, CANA -- Prime Minister Edward Seaga, saying that his party was narrowing the gap between itself and the opposition, has rejected reports that he may be planning to postpone municipal elections for a third time.

The government has made a pledge that parish council elections will be ended by the end of July and notwithstanding the deterioration in the country's infrastructure and the great problems faced, arising out of the flood rains, government intends to go ahead with the elections, Seaga told supporters of his Jamaica Labour Party (JLP).

Municipal elections should have been held in 1984, but were put off for a year to allow for a new voters register and the implementation of voting procedures to minimise fraud. They were again postponed in 1985 after the government introduced local government reforms, including proposals for the reduction of the number of municipal seats. This required the redrawing of boundaries, an action that is now complete.

In his speech Sunday presenting some of the prospective JLP municipal candidates, Seaga said he was looking forward to the elections because public opinion was swinging to the JLP since his budget presentation last month. A survey by respected pollster, Professor Carl Stone, shortly after the May 1 budget presentation, showed the opposition People's National Party (PNP) with 52 per cent support, four per cent better than late last year. On the other hand, the JLP had made a six percent gain to stand at 33 per cent. In terms of only those persons who had made up their mind to vote, the support for the PNP was 60 per cent and 38 per cent for the JLP.

Seaga had said at the time that had the polls been done a bit later, giving time for the measures in his expansionary budget to seep through, his party's showing would have been better. According to the prime minister, his party had recently commissioned a poll, which bore out his views. Seaga did not say who conducted the poll or give its findings, but said that it weas scientifically tested, and objectively worded. The results were that the JLP has narrowed the popularity gap between itself and the PNP.

The government's popularity had declined under harsh austerity, which Seaga said were in the national interest. But now that those decisions have been taken, we have reched the stage where the fruits and the benefits are beginning to surface and the budget was the first indication, he said.

ST CHRISTOPHER-NEVIS

SIMMONDS RETURNS AFTER 10-DAY OFFICIAL TRIP

FL162044 Bridgetown CANA in English 2026 GMT 16 Jun 86

[Text] Basseterre, St Kitts, June 16, CANA -- Prime Minister Kennedy Simmonds and Ambassador William Herbert have returned home following a ten day absence on official duties.

Simmonds and Herbert first travelled to Belize for a meeting of the standing committee of ministers of foreign affairs of the Caribbean Community (Caricom). From Belize, they went to Washington and New York for meetings with staffers of the St Kitts and Nevis missions there. The two also had meetings with U.S. Government and private sector officials.

FBIS
DAILY REPORT
CONTENTS

Latin America

Vol VI No 117 18 June 1986

ARGENTINA

Rios Erenu Discounts Charges Against Military B 1

BRAZIL

Sarney Fetes Finland's Sorsa in Brasilia D 1
Guimaraes Asks for Leave, Departs for U.S. D 1
President Sarney Signs Decree on Weapons Control [FOLHA DE SAO PAULO 15 Jun] D 1
Justice Minister Views Church, Land Reform [FOLHA DE SAO PAULO 15 Jun] D 2

CHILE

Interior Official Condemns Subway Attacks E 1
Student, Teacher Arrested in Clash With Police E 1
Campos Says Pinochet Short-Sighted, Not a Ruler E 2
Interior Minister on Draft Law, Conscitution E 2
Briefs: 13 Mayors Appointed; Qatar Approves Ambassador; Fishing Under Secretary Resigns; Bolivian Traffickers Arrested E 3

COLOMBIA

Minister Castro Target of Guerrilla Attack F 1
    Minister Unhurt F 1
    Details of Attack F 1
    M-19 Claims Credit F 2
    'Presumed' Attackers Arrested F 2
    27 Arrested So Far F 2
M-19 Announces Unilateral Truce for Pope's Visit F 3
6 More Killed by 'Death Squads' in Cali F 3
Briefs: Cocaine Seized, 5 Arrested F 4

PARAGUAY

Industry Minister Denies Contact With PRC Group [EL DIARIO 17 Jun] H 1
    Taiwan Ambassador Comments [HOY 17 Jun] H 1
Briefs: Supreme Court Dismisses Judge; Inflation Rate Soars H 1

PERU

El Salvador's Ungo Arrives, Discusses Negotiations J 1
Wagner Presides Over Meeting on South Africa J 2

Women's SI Officially Opened in Lima 16 June J 2
Terrorists Attack Animal Sanctuary, Kill Corporal J 3

MEXICO

Petriccioli Appointed New Finance Secretary M 1
'Concern' Expressed Over South African Situation M 1
Chihuahua PRI Campaign Accents Catholic Support M 1
Opium Lab Shut Down; 2 Arrested, Drugs Seized [EL UNIVERSAL 11 Jun] M 2
Briefs: Marijuana Confiscated M 2

PANAMA

Danish Ship Carrying Military Materiel Detained N 1
  Reportedly Bound for Nicaragua N 1
Abadia on U.S. Ambassador's Visit to Ministry N 2
  Government Reaction N 2
Legislative Bloc Criticizes TIMES' Charges [MATUTINO 17 Jun] N 3
PdP Says 'Imperialsim' Behind Attacks on Noriega [CRITICA 17 Jun] N 5
PALA Communique Supports Noriega, Delvalle [MATUTINO 17 Jun] N 5
CONEP Protests NY TIMES Reports on Noriega N 7
Investigation of Noriega Reportedly Ruled Out [LA PRENSA 17 Jun] N 7
Spadafora Family To File Charges Against Noriega [EXTRA 17 Jun] N 7

CENTRAL AMERICA

EL SALVADOR

Col Vargas Views Morazan Army Operation P 1
FMLN on Legitimacy of Duarte Government [Venceremos] P 2

GUATEMALA

Cerezo Discusses Domestic, C.A. Issues [Stockholm DAGENS NYHETER 6 Jun] P 3
Quinonez Reaffirms Nation's Neutrality [PRENSA LIBRE 17 Jun] P 4
Cerezo Scheduled To Visit Mexico in July P 5

HONDURAS

Lopez Contreras Asserts Mandate for Foreign Policy [LA TRIBUNA 17 Jun] P 5
Armed Forces Issue Communique on Bribery Charges P 6
Azcona Creates Social Development Cabinet P 6
Contras Reportedly Trained by Marines Jailed P 7
Contras Cut Off Power in 3 Departments P 7

CUBA

Official Links Radio Marti, U.S. Immigration Ties [EFE] Q 1
Attacks on Noriega Seek Destruction of Contadora Q 2
U.S. Blamed for Recent South African Attacks Q 2
Winnie Mandela Interviewed on Trade Embargo Q 3
Afghan Deputy Minister Arrives Q 4
DPRK Official Praises Reunification Committee Q 4
National, Cypriot Broadcast Officials Sign Protocol Q 4

CARIBBEAN

DOMINICA

Parliament Approves Government Budget S 1

RIOS ERENU DISCOUNTS CHARGES AGAINST MILITARY

PY170220 Buenos Aires DYN in Spanish 2354 GMT 13 Jun 86

[Text] Posadas, 13 Jun (DYN) -- Army Chief of Staff General Hector Rios Erenu today refuted the remarks of the president of the Chamber of Deputies, Juan Carlos Pugliese, to the effect that the civilian society abhors the manner in which military repression was conducted during the last decade. Gen Rios Erenu said that "this is not historically true." A couple of days ago Pugliese said that broad sectors of the Armed Forces "believe that they actually saved the country" by repressing terrorism. He added that this makes any dialogue between them and the civilian society difficult, because the latter feels that the Armed Forces 'employed repugnant methods that we cannot accept under any circumstances." When Rios Erenu was asked to given an opinion on these remarks, he answered that "this is a time-old disagreement" and that "another deputy has commented on the matter, saying that he could not share the opinion of the military, because he felt that everything done during the process of national reorganization was nothing but garbage." Rios Erenu added: "These are purely subjective opinions that do not reflect the historically proven truth of what actually happened in the country, because absolutely no one can deny that the country was under attack by subversion and that the people who were using bombs and staging attacks were not exactly inclined to participate in a dialogue." Rios Erenu went on to say that "at that time there was a great deal of public insecurity. No one could take a walk around the block in peace, no one could go the movies in peace, and many individuals were brutally attacked." He added that "all this is over now. Argentina now has a democracy and its government has been elected according to the Constitution. Argentina is living in peace and freedom. We must take into account what happened, its consequences, and the current status quo." The army chief of staff also said that the members of the Army now are "democrats." He added that in Argentina coups d'etat "have always been carried out by the Armed Forces, but the ideology behind the coups always came from outside" the Armed Forces.

During a press conference that he held this afternoon in Posadas with General Humberto Pompilio, commander of the 11th Infantry Brigade, and other military officers, Rios Erenu explained that "hypersensitivity" and an "unusual" typification were to blame for the interpretation given to recent remarks by III Corps Commander General Leopoldo Flores to the effect that "discomfort and annoyance" were felt at that unit. Rios Erenu ruled out any unrest in the Army in general and in Cordoba in particular and said that "there are no reasons for any kind of concern at all." He added that the previous commander of the III Crops had voluntarily asked to retire, in keeping with "Army regulations and tradition."

Rios Erenu admitted that "we are having to work with a limited budget" but guaranteed that "we have been resorting to imagination so as to have an Army that can carry out its operations." He went on to say that the current members of the Army are "personally democratic," although he admitted that "because of its hierarchic structure, the branch is autocratic." He added, however, that "as an institution we have acquired political standing."

Upon being questioned about coups d'etat, Rios Erenu said that "the coups have always been carried out by the military, but the ideology behind them always came from outside" the Armed Forces. He reiterated his allegiance to the reinstatement of democracy in the country and stated that he was interested in making the Army more professional. On Gen Flores' remarks, Rios Erenu explained that it had not been an "affair," but "merely a whimsical" interpretation of the general's remarks.

He concluded by stating his support for the decision of the Argentine Government to move the federal capital to the south and linked this move to the need to protect Patagonia's sovereignty.

SARNEY FETES FINLAND'S SORSA IN BRASILIA

PY180243 Brasilia Domestic Service in Portuguese 0001 GMT 18 Jun 86

[Text] Speaking during a luncheon held in honor of Finnish Prime Minister Kalevi Sorsa who is visiting Brasilia, Brazilian President Jose Sarney stated that his country cannot keep exporting capital indefinitely as a result of the imbalances of the international financial system, because Brazil is not responsible for these imbalances. Sarney emphasized that Brazil is going through a historical phase in which government and people together are trying to fulfill their desire for progress, political stability, a strong economy and social justice.

In his speech, the Finnish prime minister stated his country's interest in stepping up trade between the two countries.

GUIMARAES ASKS FOR LEAVE, DEPARTS FOR U.S.

PY180235 Brasilia Domestic Service in Portuguese 0001 GMT 18 Jun 86

[Text] Ulysses Guimaraes, president of the Chamber of Deputies and the PMDB [Brazilian Democratic Mobilization Party], today boarded a plane at the Brazilian Air Force base and departed for the United States, where he will undergo medical tests. Guimaraes left on board the presidential plane together with his wife Mora, his private doctor, and an official of the presidential protocol department.

Before boarding the plane, Ulysses Guimaraes went to the Chamber of Deputies to submit his request for leave and then held a meeting with President Jose Sarney at Planalto Palace. During his short visit to the Chamber of Deputies, Ulysses Guimaraes submitted a draft constitutional amendment proposing the establishment of a committee that would represent the national constituent assembly. This committee will carry out duties currently in the hands of the Congress during the drawing up of the new constitution. This committee will be made up of 48 deputies and 24 senators. Guimaraes' draft amendment will be voted on in the second half of September.

Later, the president of the Chamber of Deputies talked with the journalists. He said that he is feeling very well and as soon as he returns from the United States, he will commit himself to the campaign for the November elections. Ulysses Guimaraes explained that the decision to undergo medical tests in the United States was made on the recommendation of his doctors and in compliance with a request from President Jose Sarney.

PRESIDENT SARNEY SIGNS DECREE ON WEAPONS CONTROL

PY171623 Sao Paulo FOLHA DE SAO PAULO in Portuguese 15 Jun 86 p 14

[By special correspondent to Imperatriz, Maranhao]

[Text] The Military Household chief, General Rubens Bayma Denys, stated yesterday that the new law on the production and use of weapons and explosives and the law on the function of security enterprises have increased the responsibility of the state governments in the struggle against violence. Denys made this statement immediately after the signing by President Jose Sarney of a decree and two draft bills and just before the meeting that was held in Imperatriz (Maranhao State) yesterday morning.

These three documents make up the National System of Weapons, Ammunition, and Explosives [Sistema Nacional de Armas, Municoes e Explosivos -- SINAE]. They establish norms for the granting of permits for the carrying of weapons, and regulate the activities of armed private watchmen and the transport of securities (the first and the third are draft bills that have still to be approved by the National Congress).

SINAE will be based at the Justice Ministry, and will include representatives from the Army and Finance Ministries. It will maintain a record of all weapons and ammunition in the country from the time they leave the manufacturer. Weapons that are already in circulation will be renumbered in accordance with the norms that have yet to be established. The objective is to provide the government with the appropriate control over all weapons, ammunition, and explosives, whether imported or manufactured in the country. Under this bill, each weapon, lot of ammunition, and explosive will have a dossier that will record all sales, transfers, and even thefts.

Regarding the carrying of firearms, the decree establishes that the norms are valid only within the limits of the state where the permit was issued. All current permits will be revised every 2 months and most of them will probably be canceled. A permit for carrying weapons will be granted only for use in the place of work or residence.

According to the new law, the required qualifications for private watchmen (level of training they will need, for example) will be established by the state governments. They will carry their weapons only when on duty, and their uniforms must not be similar to those of the police or Armed Forces. The use of weapons is restricted to the place where explosives or securities are being kept.

JUSTICE MINISTER VIEWS CHURCH, LAND REFORM

PY171523 Sao Paulo FOHLA DE SAO PAULO in Portuguese 15 Jun 86 p 12

[Interview with Brazilian Justice Minister Paulao Brossard at his office in Brasilia on 13 June by reporters Marcio Chaer and Virginia Galvez]

[Excerpts] FOLHA: in an interview granted to FOLHA, Thomas Skidmore, a U.S. "Brazilianist" [preceding word in English] and historian, said that in Brazil the church has a unique feature: It is strong, it has political power, it negotiates with the government, and it has influence. He added that this does not happen in any other country. The church has posed some demands. What do you consider to be the role of the church in connection with land reform in Brazil?

Brossard: First, I would like to confirm that what the U.S. historian said is true. The church has deep roots in Brazilian society. By the way, it is interesting that when we refer to the church we do not need to qualify it, as if there were only one religion in our country. Although this used to be the case, the situation has now changed. The proliferation of sects and religions is well known. However, the Roman Apostolic Catholic Church has always played a key role in Brazil. Yet I believe there is something that must be clarified. Land reform is a political process, a political, social, and economic measure, a measure that has been adopted by a government, by a secular authority. It is not a matter of religious doctrine or dogma. Thus, as I and the president himself have said, land reform is a government issue that must be resolved by the government, following its own criteria and not those of individuals or organizations. There are many people who want to implement their own land reform. This does not mean that any individual or organization that can analyze, study, criticize, or make suggestions should not do it, and I am saying this with an open mind. I believe that one should welcome their cooperation if they are qualified, able people. But we cannot let anyone act above the government.

FOLHA: What do you think of the fact that the president will discuss land reform with the pope?

Brossard: I have no idea what the president will discuss with the pope. The agenda items are chosen beforehand and are not announced in this manner. I believe that they will discuss really serious matters? Do you believe the president will discuss dogmas? I don't, because such issues do not fall under the jurisdiction of a president, who can only discuss the relations between his country and an organization. There was a time when no one recognized the international standing of the Holy See. However, this has been overcome, because the Holy See actually has a role to play, a moral authority to exercise, and a spiritual mission to fulfill. Even those who have not adopted any religion or who do not belong to the Catholic Church agree on this. Therefore, a country that, according to statistical data, is the world's largest Catholic country -- although the number does not justify this ranking -- cannot ignore the links between the state and the Catholic Church.

For these reasons the Brazilian president and the pope will always have important issues to discuss.

FOLHA: Mr Minister, again on the church...

Brossard: I do not want to talk about it. It is something sporadic, which is always used for ...

FOLHA: Mr Minister, you received a legacy from your predecessor, a package containing 18 projects. It that true?

Brossard: But, I've already spoken enough about that...

FOLHA: And the financial scandals in which previous governments were involved that have not yet been brought before the STF [Supreme Court] in the form of charges, such as the Coroa-Brastel [expansion unknown] case, has been shelved in the office of the Attorney General for more than a year...

Brossard: That matter pertains to the Attorney General's office, not to the ministry...

FOLHA: But, the Attorney General's office comes under the ministry...

Brossard: Yes, but the Attorney General's office is autonomous.

FOLHA: Mr Minister, some people, like Deputy Jose Genoino, who referred to you as the "sheriff of the right" are criticizing you rather strongly. They have even said that you are a "spokesman for the ranchers"...

Brossard: Look, watch your language, watch your language, you...

FOLHA: Mr Minister...

Brossard: Watch your language, will you?

FOLHA: Well...

Brossard: Please, you can criticize me as you wish, but you should respect me.

FOLHA: Right, but how would you answer those charges?

Brossard: Son, criticism is good or bad depending upon its content. All public figures are criticized, and I believe not one has ever escaped criticism. But criticism depends on its content.

FOLHA: Mr. Minister, you are the arbitrator in a tense argument between landowners and those who have no land. Deputies have criticized you, claiming that you have a vested interest. Are you a rancher?

Brossard: I am a lawyer and also a rancher (shouting) and you listen to me, it is an honorable profession, just in case you do not know that. It is not a pimp's business... I cannot tolerate this, I cannot tolerate this. Here you are taking more than 2 hours of my time and you end up asking questions of this kind, why...

FOLHA: Minister, I understand that you do not like certain questions, but I want you to understand that I have to ask these question.

Brossard: But the first condition is that you respect me. What is this, what do you think you are doing?

FOLHA: But there is no disrespect shown in any of my questions.

Brossard: I am a lawyer, I am a professor, I am a producer, I am a farmer. Now, it seems that being a producer is dishonorable, illegal activity. No sir, It is an honorable profession, although it is not very profitable. It is much better to invest in the financial market, but it is a profession that suits me. Now, you ask whether I am a farmer as it were a stigma. No, sir. I cannot tolerate this.

FOLHA: Minister, there is a debate going on in this country...

Brossard: Let us do the following. Let us stop right here. I do not like this. I cannot tolerate this...(he points to the door).

FOLHA: There is a debate going on in this country that divides those who own the land and those who do not own land, and you are on the spot because of your position.

Brossard: But, very well... no, just a moment. It divides owners from nonowners? I think it divides producers and nonproducers. This is something else. However, a way of thinking is being created because of things of nature, because of questions of the type, that persons who engage in the producton of food are regarded as antisocial. I find this very offensive.

FOLHA: Do you think that the agrarian reform will change the profile of national food production?

Brossard: (lowering his voice). Maybe, and maybe not. (he raises his voice again). Now, pointing it out as something divine also appears to be a mistake. (in a lower voice) Because first of all we must verify the quality of the man, the capacity of the man, and the interest of the man.

INTERIOR OFFICIAL CONDEMNS SUBWAY ATTACKS

PY170316 Santiago Radio Chilena in Spanish 2300 GMT 16 Jun 86

[Text] Interior Under Secretary Luis Alberto Cardemil has said that the bombing of two subway stations early this morning was another attempt to halt the institutional process in Chile. In the terrorist attacks, 1 person was killed, 6 were wounded, and substantial damage was caused at Tobalada station: damage was also reported at the Los Heroes station. Cardemil added that these are acts of madness aimed at awakening fear and insecurity among the people. He said the attacks against the subway have clearly unveiled the true nature of terrorism.

[Begin recording, in progress] ...because I would say this action was not as hypocritical, because it has clearly shown the nature of terrorism. This time they did not care for the innocent victims of their action. Therefore, we [have] to take this into account in our analysis of the strategy of terrorism. [end recording]

Cardemil added that most of the people want to work in peace and cooperate with the institutionalization process that the government is carrying out. I believe that with the support of all Chileans, we will be able to counter terrorism, he concluded.

STUDENTS, TEACHER ARRESTED IN CLASH WITH POLICE

PY180009 Paris AFP in Spanish 2317 GMT 17 Jun 86

[Text] Santiago, 17 Jun (AFP) -- Official sources reported that today 60 students and a teacher were arrested in Santiago and Valparaiso when military and police forces repressed the antigovernment demonstrations.

This is the second time in as many days that soldiers with their faces painted black entered the Metropolitan University, where, as in universities throughout the country, classes have been suspended as a result of demonstrations demanding an end to government intervention in academic centers.

The Teachers Association reported that 23 students were arrested by soldiers who arrived at the Metropolitan Education University in small tanks together with the Carabineros militarized police. The Teachers Association also reported that Francia Araya, a teacher, was arrested during the raids.

On 16 June, during the first raid the soldiers arrested approximately 100 students at that university, but they were later released.

In Valparaiso, located 140 km west of Santiago, the police arrested 40 high school students who were protesting the government's decision to transfer state schools to municipalities.

In other demonstrations in Santiago the police used water cannons and tear gas to break up the student demonstrations near the University of Santiago and the San Joaquin campus of the Catholic University where the students set up barricades. There were no reports of arrests.

CAMPOS SAYS PINOCHET SHORT-SIGHTED, NOT A RULER

PY171255 Madrid EFE in Spanish 0103 GMT 16 Jun 86

[Text] Santiago, 16 Jun (EFE) -- Carabineros General German Campos, retired, former head of the Santiago military zone, today said that General Augusto Pinochet is a modern soldier with a 19th century mentality. According to Campos, who was head of Carabineros intelligence during the initial years of the military regime, "Pinochet does not have the qualities of a statesman; he is a close-minded military man and does not qualify as a ruler."

During an interview which the magazine APSI published today, Gen Campos also said that "more than once," the military men have thought about their future image once this regime is over. He said that even though some members of the Armed Forces would like to return to their traditional duties, the military men "have enjoyed, and still enjoy, enough privileges to want to stay on."

Asked about corruption in the Armed Forces, Campos said that "when a single man controls everything, without regard for law or higher authority, I believe that there is bound to be some corruption."

According to Campos, for Chile "there is no other way out than a popular awakening, social pressure, and mobilization." He said that "for 13 years these people have failed to react and, although I have my doubts, I do hope they wake up now."

INTERIOR MINISTER ON DRAFT LAW; CONSTITUTION

PY161831 Madrid EFE in Spanish 1758 GMT 14 Jun 86

[Text] Santiago, 14 Jun (EFE) -- Interior Minister Ricardo Garcia stated today that the citizenry will be able to make suggestions for improvements to the political laws that are being prepared.

These laws are being prepared by a government advisory committee, interministerial committees, and the government junta, and they refer to electoral registration, political parties, national congress, radio and television, censorship of movies, publicity abuses, respect, and protection of public life.

They also refer to the regulation of conflicts among administrative authorities, state business activities, and the Central Bank, among others.

The purpose of these laws will be to follow the itinerary that the 1980 constitution specified for the transition from the current military regime to a protected democracy.

According to the constitution, a protected democracy will declare unconstitutional all doctrines and acts of individuals, groups, organizations, movements, or political parties that are Marxist or promote violence, or represent totalitarian societies.

Garcia stated that when a draft bill is prepared by the advisory committee or some interministerial committee, it will be published, and any citizen will have the right to send written suggestions that will be taken into account in accordance with "the merit and basis of the suggestions."

The government junta is already considering the law on political parties that will probably be approved by the end of 1986 or beginning of 1987, and that the law on electoral registration that will probably be implemented by the end of 1986.

He added that the laws dealing with the system of voting and votecounts, and that referring to pluripersonal elections [elecciones pluripersonales] will be approved in 1986 or 1987. He said that by political laws we should understand, "in the broad sense," all laws that are added to the constitution. He said that he expects all draft bills will be ready by the first quarter of 1987.

According to the deadline set by the Constitution, December 1988 is the date by which the Armed Forces must designate a single candidate for the presidency of the republic. This person will be submitted to a plebiscite during the beginning of 1989, to assume the presidency for a new period of 8 years in March that same year.

Should that single candidate be defeated, General Augusto Pinochet will extend his term for another year and call for general and free elections of president of the republic and Congress. The transitory clauses and the constitution will be fully effective.

The Chilean opposition believe that all these projects are a way to perpetuate Gen Pinochet in the government, and that they will not really lead to full democracy.

BRIEFS

13 MAYORS APPOINTED -- The President of the Republic Augusto Pinochet has accepted the resignations of 13 mayors of the fifth region and appointed the following persons to replace them: Claudio Morales Green of Villa Alemana; Jose Antonio Rebolar Rivas of Quillota; Luis Santelices Barrera of Limache; Jorge Thompson Garrote of Olmue; Fidelia Garcia Cano of La Cruz; Carlos Lopez Tapia of Hijuelas; Dimitri Schumilow Oldekop of Cartagena; Jenny Melania Harris Flores of Santo Domingo; Eliana Arias Lafayette of El Quisco; Fernando Varbas Jara of Los Andes; Hernan Benavides Navarro of Rinconada; Gonzalo Errazuriz Moreno of Llay Llay; and Manuel Hugo Rivera Rojas of Putaendo. [Summary] [Santiago EL MERCURIO in Spanish 5 Jun 86 P C2 PY]

QATAR APPROVES AMBASSADOR -- Qatar has approved the appointment of Luis Gabriel Larrain Cruz as concurrent Chilean ambassador to that country. Larrain Cruz is currently ambassador to Syria. [Summary] [Santiago EL MERCURIO in Spanish 6 Jun 86 P C6 PY]

FISHING UNDER SECRETARY RESIGNS -- Yesterday Economy Minister Juan Carlos Delano announced that the government had accepted the resignation of Fishing Under Secretary Roberto Verdugo Gormaz, who was replaced by Roberto Cabezas Bello. [Summary] [Santiago EL MERCURIO in Spanish 6 Jun 86 P C2 PY]

BOLIVIAN TRAFFICKER ARRESTED -- During a joint operation, specialized personnel of Antofagasta and Iquique arrested members of an international drug traffickers ring in Antofagasta. According to the Carabineros report, the operation resulted in the arrest of Bolivian citizen Fernando Garcia Quinteros, 45, head of the ring, and Chilean citizens Andres Challapa and Apolinario Quispe. The security agents also seized 2 kg of pure cocaine hydrochloride, which has been smuggled into Chile through Ollague by Garcia Quinteros. [Summary] [Santiago LA TERCERA DE LA HORA in Spanish 9 Jun 86 P 18 PY]

MINISTER CASTRO TARGET OF GUERRILLA ATTACK

Minister Unhurt

PA171256 Paris AFP in Spanish 1244 GMT 17 Jun 86

[Text] Bogota, 17 Jun (AFP) -- Interior Minister [title as received] Jaime Castro was unharmed after an attack with firearms this morning in northeast Bogota, the RCN [Radio Cadena Nacional] private station has reported. One of the members of his escort was wounded in the attack.

Details of Attack

PA171956 Bogota Television Service in Spanish 1730 GMT 17 Jun 86

[By Ricardo Ucanon]

[Excerpts] At 0710, four individuals, three individuals on foot and one in a crane, staged an attack against Government Minister Jaime Castro. Minutes later, the Ivan Marino Ospina Command of the M-19 claimed responsibility for the action. The driver of the car escorting Minister Castro's car and two policemen, one from the Sixth Police Station and another from the [word indistinct], who were passing through the area at the time of the attack, were wounded. One of the wounded policeman was taken to the military hospital by a vehicle of the RCN station which was closely following the minister's vehicle because the minister was accompanied by journalist Antonio Jose Caballero.

[Begin recording] [Caballero] The minister at first thought it was an accident, and then he asked why shots were being fired. The bodyguard traveling in a motorcycle fell to the ground, but he immediately got up and returned the fire. When he returned the fire, a man who was in the yellow crane that had crashed against the Toyota escort car got out with a submachine gun. Others also came out, and the heavy shooting started. The street behind us as blocked by the big crane.

[Unidentified reporter] You stayed in the car?

[Caballero] When the minister saw the man with the submachine gun, he ordered the driver to go rapidly to Narino Palace. We arrived here astonished by what happened. [end recording]

Reports at the site of the attack indicate that at approximately 0600, several individuals who claimed they were members of the police arrived at building No 502 of 33d Street, where an elderly couple live. The individuals told the couple to stay in their bedroom while they would supposedly arrest some drug traffickers.

At 0710, when the minister's car was traveling on 5th Avenue, the crane, with license plate A05365, was parked on the eastern corner of 33d Street. One of the individuals was in the crane, and he tried to crash against the minister's car. However, its driver evaded the action, and the crane then crashed against the escort car. At the same time, three armed individuals came out of the house at 502 and opened fire on the vehicles following the minister's car and the policemen on the motorcycles.

In the house, the authorities found a powerful bomb that was carefully taken out to be deactivated somewhere else.

A clip and other objects were found in the crane. The crane had been stolen early this morning and its driver kidnapped while the attack was carried out.

The minister was not injured in the attack. Minutes later, four suspects were arrested.

M-19 Claims Credit

PA171400 Paris AFP in Spanish 1342 GMT 17 Jun 86

[Text] Bogota, 17 Jun (AFP) -- In a telephone call made today, the Ivan Marino Ospina Command of the leftist M-19 guerrilla group today claimed credit for the foiled attempt on the life of Government Minister Jaime Castro.

A man, who identified himself as a spokesman for the group, said that "the minister is lucky," and warned that Colombian President Belisario Betancur and Defense Minister General Miguel Vega Uribe will be the targets of attacks.

"This is in reprisal for what happened at the Palace of Justice," the guerrilla said over the telephone to several radio stations in Bogota. Police have been deployed throughout the city.

The attack against Castro took place at 1215 GMT, when four men machine-gunned his guards' vehicle. The minister was on his way to attend a Cabinet meeting at the presidential palace.

The meeting had been called to study the possibility of lifting today the state of siege that has been in effect since 1 May 1984, when two men were paid by the narcotics traffickers to kill the justice minister.

"Presumed" Attackers Arrested

PA171456 Bogota Cadena Radial Super in Spanish 1428 GMT 17 Jun 86

[Report by Ruben Dario Carrillo]

[Text] Another of the presumed participants in the attempt against Government Minister Jaime Castro has just been arrested in the Italia Hotel on 7th Avenue and 20th Street. At this time we are moving toward the Sua neighborhood, where two other [members of the group] have been found. This as reported by the operational commander of the [words indistinct]. Repeating, one of the participants in the attempt against Minister Jaime Castro was arrested in room 140 of the Italia Hotel. We are travelling toward Sua, where two others have been sighted riding in a white Renault-9.

Here at the Italia Hotel there is a taxi in which four people rode. Ammunition for Galil [rifles] and Uzi submachine guns was found inside. The presumed would-be assassins were arrested when they got out of the taxi. They were taken to the [words indistinct]. The entire operation is moving toward Sua, where two others have been sighted.

27 Arrested So Far

PA172011 Bogota Television Service in Spanish 1730 GMT 17 Jun 86

[Excerpt] Twenty-seven people have been arrested so far in relation to this morning's attack on Government Minister Jaime Castro.

Most of those people were arrested in the Italia Hotel in the center of Bogota because the state intelligence agencies believe that the attack was planned there. Here is a report by Mari Villalobos:

[Begin Villalobos recording] An hour had not gone by after the attack on the government minister when the police and the security forces raided the Italia Hotel located in the center of Bogota. This is the place where those responsible for the attack on the government minister were presumably lodged.

The 142 rooms of the hotel have been thoroughly searched. The eighty hotel guests who were still sleeping when the raid was carried out are being detained in the hotel where they are being investigated and fingerprinted. According to Colonel Augusto Garcia Plata, coordinator of the operation, the police have confiscated propaganda of the National Guerrilla Coordinating Board and two pistols.

After the intense search, the police are holding seven people who checked in yesterday or early this morning. [end recording]

M-19 ANNOUNCES UNILATERAL TRUCE FOR POPE'S VISIT

PA121824 Bogota Television Service in Spanish 1730 GMT 12 Jun 86

[Text] The M-19 will ask Pope John Paul II to serve as mediator between the group and the new president, Virgilio Barco Vargas, in order to begin peace talks. During a press conference with international news agencies, the guerrilla movement said it agrees with President-elect Barco Vargas that mediators should be eliminated from these peace negotiations [as heard] and announced a unilateral truce during the pope's visit to the country.

6 MORE KILLED BY 'DEATH SQUADS' IN CALI

PA161615 Madrid EFE in Spanish 1940 GMT 16 Jun 86

[Text] Cali, Colombia, 15 Jun (EFE) -- The discovery of six more bodies in different parts of this Colombian city in the southeast of the country has increased the number of "death squad" victims to at least 40 dead in the last 10 days.

The latest victims, with signs of torture and bullet wounds, were found at dawn Sunday in the Villa del Sur and San Nicolas neighborhoods. They were found and identified by the authorities as Humberto Hurtado and Cuillermo N. [name as received]

Afterwards, the police found a 23-year-old man, identified as Jesus Antonio Jimenez, in the Antonio Narino neighborhood, with nine bullet wounds in the head and neck. Three more victims who had been shot to death were found by police in the Los Mangos and Simon Bolivar suburbs. So far, the authorities have not been able to identify them. In all cases the victims "show clear signs of torture and shots in the head. [quotation marks as received]

City civic spokesmen have stated that Cali "is under a criminal dictatorship," while other citizens say that a veritable "curfew" has been established. Various citizens pointed out that "after 2000 or 2100" the city is plunged into a curfew "declared by organized crime," because one "runs the risk of being shot at from a passing motorcycle or other vehicle."

Authorities have stated that most of the victims of the bloody spell in Cali have been homosexuals, prostitutes, and common criminals; especially street drug vendors.

The church, through the archbishop of Cali, Msgr Pedro Rubiano, has rejected "justice by one's own hand," and has requested that the authorities safeguard the citizen's order and safety so as to avoid further bloodshed in the city.

BRIEFS

COCAINE SEIZED, 5 ARRESTED -- This morning, some 60 kg of high purity cocaine was confiscated at the air terminal cargo installations as the drugs were being slipped into flower boxes of the Las Amalias Company. Five individuals who were carrying the drugs were apprehended. [Summary] [Bogota Television Service in Spanish 0100 GMT 15 Jun 86 PA]

INDUSTRY MINISTER DENIES CONTACT WITH PRC GROUP

PY171451 Asuncion EL DIARIO in Spanish 17 Jun 86 p 12

[Text] When asked about the PRC delegation that arrived last week in our country, Industry Minister Delfin Ugarte Centurion said yesterday: "My sector did not contact them. I do not know them." The industry minister said: "It was not an economic mission. It did not have an official status, and it did not make contact at official levels."

The industry minister made this statement as he was leaving Government House, where he had attended the National Economic Coordination Council meeting.

Taiwan Ambassador Comments

PY171449 Asuncion HOY in Spanish 17 Jun 86 p 8

[Text] Retired General Wang Sheng, the Taiwan ambassador to Paraguay, said yesterday that "when he learned of the presence in Asuncion of a PRC delegation, the president [Alfredo Stroessner] immediately ordered the delegation members to leave Paraguay as soon as possible." As is well known, a PRC business delegation headed by a high-ranking government official arrived unexpectedly in Paraguay on 13 June.

Ambassador Wang said that "the president had no knowledge of the presence in the country of this delegation." He added that "as a result of this, more care will be taken in the future to avoid the entrance of communist Chinese into the country."

When asked about the presence of the PRC delegation, the ambassador said that "the communists usually resort to commercial activities as an infiltration tactic. The PRC delegation's main objective was first to create a division, shattering the friendly ties that Taiwan maintains with South and Central American countries. Costa Rican and Salvadoran authorities had previously refused entry to this group."

Wang Sheng added that "the communists are interested in politics; they use commerce only as a tool. They conduct these activities without much publicity; its like catching fish. They are not interested in exports or imports, but they are very much interested in achieving success in the political sector."

BRIEFS

SUPREME COURT DISMISSES JUDGE -- Yesterday the Supreme Court of Justice removed Judge Adalberto Fox of Pedro Juan Caballero from his post and revoked the license of Faustino Villaalta for 2 years. Fox and Villaalta have been charged with accepting bribes in a drug trafficking case. [Summary] [Asuncion HOY in Spanish 12 Jun 86 p 16 PY]

INFLATION RATE SOARS -- According to official information available, in 1982 the variation of the consumers prices index in 12 months only amounted to 5 percent, while this variation in 1986 reached 40.6 percent in the month of April. [Summary] [Asuncion ULTIMA HORA in Spanish 11 Jun 86 p 9 PY]

EL SALVADOR'S UNGO ARRIVES, DISCUSSES NEGOTIATIONS

PY172132 Madrid EFE in Spanish 1939 GMT 17 Jun 86

[Text] Lima, 17 Jun (EFE) -- Salvadoran Revolutionary Democratic Front (FDR) leader Guillermo Ungo announced here today that the Salvadoran guerrillas have agreed to the new proposal from the government of Jose Napoleon Duarte. The proposal regards the resumption of the dialogue that was discontinued 18 months ago.

The secretary general of the National Revolutionary Movement said that even though no specific date has yet been established, negotiations will probably resume by the end of July or early August.

Ungo denied that the Salvadoran guerrillas are receiving military assistance from the USSR, Cuba, Nicaragua, or Libya, stressing that "a lot of nonsense has been said about the intervention" of Libya.

The 60,000 people murdered in El Salvador and the 20 percent of the population who have been displaced are Salvadoran not Russian, he explained. He added that there are no links between the Salvadoran guerrillas and the Peruvian Tupac Amary Revolutionary Movement.

Concerning the future talks with the government, Ungo said that neither the guerrillas or the movement he leads "harbor too many hopes, because the margin for negotiating is very small."

"However, we believe it is positive that the talks will be held in El Salvador, following the same procedure as before," he added.

According to Ungo, a long-term deadline has been set for the talks, because the United States is about to vote on a $500-million aid package for the Duarte administration, "aid that will serve to extend the war," he charged. The Salvadoran opposition leader indicated that the government of President Duarte received $1.5 daily million in aid from the U.S. Government and that 75 percent of that money was used directly or indirectly in military operations.

Guillermo Ungo also stated that the proposal for dialogue made by Duarte, who has changed his attitude in the last few months, hopes to counteract the discontent prevailing in El Salvador as a result of the economic measures implemented by his government.

Ungo, who is in Lima to attend the 18th Congress of the Socialist International that opens on 20 June as one of its vice presidents, made these statements during a press conference.

In answer to questions about the alleged Cuban and Soviet aid for the Salvadoran guerrillas, Ungo stated that the Salvadoran guerrillas had proposed an internationally controlled moratorium to verify that accusation, however the "U.S. Government and Duarte have not accepted the proposal."

Guillermo Ungo added that the U.S. presence is destabilizing the Central American situation and that the only aid the guerrilla receives is the solidarity of religious organizations and political parties.

Ungo confirmed that on 26 April 1986, the representatives of the guerrilla and of the movement he heads met with representatives of the Duarte government.

WAGNER PRESIDES OVER MEETING ON SOUTH AFRICA

PY172114 Lima Latinoamericana Television in Spanish 0315 GMT 17 Jun 86

[Text] The International Conference on Sanctions Against South Africa, which is being held in Paris, has unanimously elected Peruvian Foreign Minister Allan Wagner Tizon as its president. The conference was opened by UN Secretary General Javier Perez de Cuellar, who emphasized the importance of Peruvian foreign policy. Foreign Minister Wagner, on being elected, expressed his pleasure in seeing that Peru was being honored.

UN Secretary General Javier Perez de Cuellar expressed his determination, together with that of the international community, to apply pressure to the situation, hoping to prevent a racial flare-up in South Africa. There is a daily threat that this might happen.

Perez de Cuellar emphasized his intention to persuade the supporters of apartheid to change the course and nature of their meaningless and futureless policy. He added that it is high time that the South African Government realized that the time to reach a negotiated solution is becoming shorter, and that Pretoria must understand that its challenge to the international community cannot be tolerated indefinitely. He concluded by requesting that the state of siege in South Africa be suspended.

WOMEN'S SI OFFICIALLY OPENED IN LIMA 16 JUNE

PY171619 Lima Television Peruana Network in Spanish 0100 GMT 17 Jun 86

[Excerpt] The 13th Conference of the Women's Socialist International opened today in this capital. The conference is being attended by some 70 representatives from 40 countries of America, Europe, Asia, and Africa. During the conference they will discuss the critical position of socialist women and their doctrine on world problems such as the arms race, the economic crisis, unemployment, and discrimination.

The opening ceremony was attended by members of congress, as well as by Mrs Anita Perez de Garcia, mother of President Garcia, Mrs Hortensia de Allende, widow of former Chilean President Salvador Allende, and representatives of people's organizations.

At the beginning of the conference, Deputy (Ilda Uriza), general under secretary of the American Popular Revolutionary Alliance, [APRA] invited the ladies in attendance to start constructing a socialist future without forgetting the present times. She condemned the historically and economically rooted discrimination against women, which must be overcome. She also made an appeal that the arms race not be allowed to invade our countries.

Luxembourg Socialist Deputy (Lidia Schmidt), president of the conference and European Parliament representative, expressed her support for President Alan Garcia's fight against injustice and the exploitation of the poor and against the demands of some creditor countries. (Lidia Schmidt) said that together we will fight for the free self-determination of peoples and for a real democracy. She also criticized U.S. President Ronald Reagan's interventionist policy in the Third World, as well as the great danger that the United Nations may disappear. (Schmidt) concluded by criticizing the arms race and the military nuclear madness, in which huge amounts are spent that could be used for the benefit of mankind.

She said that in the Third World, 30 children die of hunger every minute, while the great nations invest $1.4 billion to maintain a terror balance, in a way that is destroying the environment and human lives. Then she asked for a minute of silence in honor of the victims of South African apartheid and in memory of murdered Swedish Prime Minister Olof Palme and of Simone de Beauvoir.

TERRORISTS ATTACK ANIMAL SANCTUARY, KILL CORPORAL

PY150140 Paris AFP in Spanish 0326 GMT 14 Jun 86

[Text] Lima, 13 Jun (AFP) -- Police sources reported here today that a group of terrorists, allegedly belonging to the Shining Path, attacked and looted an animal sanctuary in Puno Department.

Meanwhile, three terrorists today killed a Republican Guard corporal in El Salvador, a poor neighborhood in the outskirts of Lima. According to information from Republican Guard headquarters, Corporal Gilmer Castillo, 41, was attacked by three individuals dressed in school uniforms. Castillo was shot in the back of the head while returning home after duty.

The attack on the animal sanctuary in Cala Cala, Azangaro Province, 160 km northeast of the city of Puno, took place yesterday. Approximately 18 armed men attacked the sanctuary and, after overpowering technical and scientific personnel, wrecked the facilities, blew up a truck and carried off 1,000 [number as received] sheep.

Cala Cala is an internationally known research facility because of its studies on vicunas, alpacas, guanacos and llamas, native Andean animals that used to supply ancient Peruvians with wool, meat and transport.

PETRICCIOLI APPOINTED NEW FINANCE SECRETARY

PA172252 Paris AFP in Spanish 2220 GMT 17 Jun 86

[Text] Mexico City, 17 Jun (AFP) -- President Miguel de la Madrid today appointed Gustavo Petricciolí as the new secretary of finance and public credit to replace Jesus Silva Herzog. The official government television station made the announcement.

'CONCERN' EXPRESSED OVER SOUTH AFRICAN SITUATION

PA171944 Mexico City XEW Television Network in Spanish 1300 GMT 17 Jun 86

[Text] The Foreign Secretariat has issued a communique voicing the Mexican Government's concern over the state of emergency in South Africa. The document points out that in all international organizations Mexico has supported the struggle against colonialism and has voiced support for the self-determination of peoples.

The document adds that our government has made great political efforts to achieve the rejection and elimination of the apartheid regime, which is a deplorable system of racial discrimination that denies basic rights and freedoms for the black majority in South Africa.

The communique then reiterates our government's rejection of that regime which it labels as hateful, and points out that it flagrantly violates the principles of the UN Charter. This policy of racial discrimination, the communique adds, affects peaceful international coexistence.

In conclusion, the Mexican Government urges the entire international community to work together based on the resolutions issued by the UN Security Council and impose all measures necessary for South Africa to abandon its racist policy.

CHIHUAHUA PRI CAMPAIGN ACCENTS CATHOLIC SUPPORT

WA172000 [Editorial Report] Mexico City EXCELSIOR in Spanish on 3 June 1986, in its "Political Fronts" column by Guillermo C. Zetina, on pp 4-A and 23-A, includes a section entitled "Catholics and PRI Members," in which it is reported that "in Chihuahua the Institutional Revolutionary Party [PRI] has accented changes in the election campaign structure, particularly for the mayoralty of Ciudad Juarez: Among all the homes in Juarez stickers have begun to spread for municipal president hopeful Jaime Bermudez Cuaron. The text of the stickers is as follows: 'In this house we are proud to be Catholics and PRI members. In 6 July we will vote for Jaime Bermudez and Alfredo Rios.'

"It is obvious that an effort is being made to win the elections whatever the cost. Others feel that the PRI has played into the hands of the National Action Party, whose gubernatorial candidate, Francisco Barrio Terrazas, is said to be guided by heaven and the church. Mario Niebla Alvarez, PRI special delegate, asserts that the matter is clear: It's one thing trying to win over the souls of the Catholic flock and quite another to insult the state. He says that just as with these stickers done in honor of Bermudez, 'there might be others put out by Evangelists, Adventists, and other believers who are also fully identified with the PRI.'"

OPIUM LAB SHUT DOWN; 2 ARRESTED, DRUGS SEIZED

PA140236 Mexico City EL UNIVERSAL in Spanish 11 Jun 86 P 1 A

[By Manuel Alonso Enriquez]

[Text] In Apatzingan, Michoacan, Federal Judicial Police have closed down a clandestine laboratory used to process opium gum to make heroin and morphine. The drug that was confisticated in this operation is worth more than 3 billion pesos. During the operation the police arrested two people, now the custody of federal authorities who will question them about their crimes. The Federal Judicial Police said that it was a crude laboratory but that it had the necessary equipment to process opium gum. They also said that they confisticated 5 kg of opium gum, 675 grams of heroin base, 125 grams of pure heroin, and 3 kg of a thick substance, which was being processed chemically to make morphine. Everything had an estimated value of 3 billion pesos on the black market.

The owners of the laboratory, Bulmaro Peralta Espinoza, 29, and Carlos Loera Gonzalez, 24, were arrested at their workplace at 73 Corenilo Ortiz de Zarate Street, Apatzingan, Michoacan. The alleged criminals did not offer any resistance. In their first statements they said that they purchased the opium gum in Sierra de Guerrero "near Petatlan," and once they had processed it into heroin and morphine they sold it "on the other side, in California." Likewise, the Federal Judicial Police said that they had also confiscated "a considerable amount" of chemical substances, scales, a presser used to squeeze the opium gum, a hydraulic jack, containers, and other utensils.

The Federal Judicial Police also said that it took several months to locate the clandestine laboratory. They added that the investigations regarding this case will go on in the states near the border, because they suspect there is a well-organized group which processes morphine and cocaine. The federal agents said that they had given information to the U.S. Drug Enforcement Agency regarding this operation because the arrested people had contacts in that neighboring country. In conclusion, they said that the drug and the arrested people were put in custody of federal authorities to be tried by a judge and to be sentenced for their crimes.

BRIEFS

MARIJUANA CONFISCATED -- Six Colombian citizens were presented to the federal court in Cancun, Quintana Roo, on charges of crimes against public health. The general prosecutor's office reported that their boat was found to be carrying 17 tons of marijuana. The six were detained by the Mexican Navy when they were found adrift off the coast of Cancun in the Colombian ship "Alex." [Excerpt] [Mexico City NOTIMEX in Spanish 0405 GMT 17 Jun 86 FL]

DANISH SHIP CARRYING MILITARY MATERIEL DETAINED

PA172325 Panama City ACAN in Spanish 2245 GMT 17 Jun 86

[Text] Panama City, 17 Jun (ACAN-EFE) -- Panamanian naval authorities are holding a Danish ship carrying 200 tons of military supplies after learning that the ship's manifest does not coincide with the shipment, naval authorities said. The ship, the 400-ton "Pia-Vesta," is carrying Soviet-made trucks, machine guns, rocket launchers, ammunition, and other articles.

The ship sailed from the GDR port of Rostock, went through the Panama Canal, and was in Peruvian waters but did not stop at any port, the same sources added.

Mysteriously, the ship changed its course and returned to Panama, where it was detained last Saturday by Panamanian Naval authorities at the request of the Peruvian Presidency.

The ship's manifest does not coincide with the shipment, and for this reason it is under investigation in the Port of Balboa in this capital.

The ship's captain, Cristiansen Johannes, 47 years old, and the crew, six Danes and one Indonesian, are under arrest.

The destination of the arms carried by the "Pia-Vesta" is still unknown.

Reportedly Bound for Nicaragua

PA180044 Panama City Televisora Nacional in Spanish 2356 GMT 17 Jun 86

[Text] The international press reported this afternoon that units of the Defense Forces of the Republic of Panama [FDP] have detained a Danish-flag vessel in Panamanian territorial waters carrying an extraordinarily large shipment of Soviet-made weapons destined for Nicaragua.

An urgent report by Channel 16 in Chicago, United States, indicates that an arms shipment worth several million dollars, including missiles and military weapons of various calibers was confiscated aboard the ship by Panamanian Navy forces. The shipment consists of over 2,000 tons of armament, heavy vehicles, and ammunition. it included 34 troop carriers, a large number of light assault weapons, very powerful rockets, and an unidentified quantity of other weapons.

Major Correa of Marine Operations noted the authorities became suspicious when the ship, which was originally headed for Peru, hurriedly returned to the canal. The ship is now anchored at Pier 18, and its entire crew has been arrested and is being held at the orders of the pertinent authorities.

The captain and seven crewmen shied away from the television cameras. In particular, the first mate, (Hans Grueten), refused to say who delivered the armaments to him and to whom he was supposed to deliver them. However, there are indications that the shipment was made through the Miami office of a Genoa-based firm, and several reports by analysts indicate that all of the weapons were to be delivered to the counterrevolutionary groups that are fighting against the Sandinist regime which is currently in power in Nicaragua.

ABADIA ON U.S. AMBASSADOR'S VISIT TO MINISTRY

PA170425 Panama City Televisora Nacional in Spanish 0000 GMT 17 Jun 86

[Text] A few moments ago, while leaving his office at the Foreign Ministry, Foreign Minister Jorge Abadia Arias gave preliminary reports on the visit paid by U.S. Ambassador Arthur Davis. When approached by journalists, who were mounting guard waiting for Abadia's departure... [change thought] Immediately, here is the central part of Abadia Arias' statements:

[Begin recording] [Abadia] The U.S. ambassador had an appointment with me at 1600 today. He gave us an explanatory note from the U.S. Government, and in that way that government fulfilled the request made by the Foreign Ministry.

[Unidentified reporter] Could you explain to us what the note said?

[Abadia] Don't you think that the president should become acquainted with the note before the explanations are given? The note is a positive one, but this is a matter of hierarchy. It was the president who ordered these actions. He is studying the note at this moment, and the president will decide on the time to release it publicly. Definitely, it will be released to the public.

[Reporter] Do you think that the relations between the United States and Panama have deteriorated, or do they remain the unchanged?

[Abadia] Not in the least, not in the least. [end recording]

Government Reaction

PA180359 Panama City Panavision Television in Spanish 0319 GMT 18 Jun 86

[Excerpts] Guillermo Antonio Adames, press secretary of the Presidency of the Republic, read the following communique regarding the report presented to the Paenamanian Government reflecting the official U.S. position with regard to a recent publication by THE NEW YORK TIMES newspaper concerning General Manuel Antonio Noriega:

[Begin Adames recording] In view of the unwarranted attacks against high-ranking officials of the Panamanian Government by an ill-intentioned sector of the U.S. press, in vile connivance with reactionary national politicians, the Panamanian Government demanded an explanation from the U.S. Government, which has been presented in due time to the Panamanian Foreign Ministry by that country's ambassador, His Excellency, Arthur Davis.

The executive branch regards the clarification presented by the distinguished U.S. Government as positive and timely, and it assuages the concerns caused in our nation by the aforementioned publication.

We have thus read this communique from the national government, which also reflects the opinion in the note delivered to the foreign minister by Ambassador Arthur Davis. [end recording]

LEGISLATIVE BLOC CRITICIZES TIMES CHARGES

PA172220 Panama City MATUTINO in Spanish 17 Jun 86 pp 1 A, 8 A

[Resoltuion issued by the "National Democratic Union Legislative bloc" in the Legislative Assembly on 16 June -- capitalized passages published in boldface]

[Text] The Panamanian Legislative Assembly, in the exercise of its constitutional and legal rights,

Whereas:

The U.S. NEW YORK TIMES has carried in more than one of its editions a number of offensive and slanderous statements against General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces;

Those reports were produced by the so-called "Neiman" group, which has irrespectfully attempted to meddle in Panama's domestic affairs through an arrogant letter written by its leader;

There is no shadow of doubt that the style and fierceness of these reports, and the time at which these were made clearly indicate that the move is not directed exclusively against Noriega, but in fact constitutes an open campaign against the Republic of Panama, the state, and the Panamanian people;

The U.S. Government, through the various official agencies responsible for the control and supression of international drug trafficking, has on numerous occasions publicly acknowledged the extraordinary and efficient cooperation it has received from the Panamanian Government, particularly from the Panama Defense Forces and its commander, Manuel Antonio Noriega;

Everyone in Panama is aware that this conspiracy has two aims: first, that pursued by traitors, including Roberto Eisenmann and his group of troublemakers, who, having failed in their coup efforts at home, have sought the support of individuals and groups in the United States to secure U.S. intervention in Panama; and second, that of people like Senator Helms and groups of foreigners who hate Panama because the fact that the Panamanians, including Torrijos and generations of Panamanians, have claimed sovereignty over and rights in the former Canal Zone and the Panama Canal infuriates them;

All Panamanians are aware that these individuals and groups in and outside the country vehemently desire to prevent the Panama Canal from passing into Panamanian hands in the year 2000 in accordance with the provisions of the Torrijos-Carter Treaties;

In the past, in response to this permanent struggle of the Panamanian people for sovereignty and full independence, General Omar Torrijos was the target of similar campaigns of discredit designed to subdue the permanent high morale of Panama in the face of its demands for sovereign rights;

Panama's position in the Contadora peace efforts contrasts with the domestic and foreign concerns of those who want to prolong the bloodshed and mourning in Central America to maintain the prevalence of their unyielding, intransigent policy of force and imposition over dialogue and reason.

There is clear evidence of a power struggle between two groups of ranking U.S. officials in connection with President Reagan's policies toward Panama, the Panama Canal, and the Contadora peace efforts, the outrageous attacks against Commander Noriega being a desperate reaction by one of those two groups, which is attempting to use this to prompt a change in that policy toward a radical posture that is fatal for Panama;

The hotheaded and turncoat domestic opposition has been blown to pieces by its own corruption and links with international drug trafficking and is therefore resorting to desperate actions in a last-ditch attempt to seize power through coupist or interventionist tactics; and

We bear on our shoulders the unshakeable responsibility of accounting to the people who elected us by a majority vote for the defense of our rights as a free, sovereign, and independent people;

HEREBY RESOLVES:

1. TO REJECT as false and slanderous the news reports by THE NEW YORK TIMES and other U.S. media which have joined it in a disgraceful campaign against Commander Noriega and Panama as a nation.

2. TO ANNOUNCE before Panama and the rest of the world that the campaign against Gen Manuel Antonio Noriega is highly vicious and harmful to the relations that must exist between the United States and Panama.

3. TO ACKNOWLEDGE that these attacks are directed at Panama, for which reason we expect explanations from the U.S. Government.

4. TO ASSERT that in the glorious struggle of the Panamanian people to exert their sovereignty over the nation's entire territory and their rights over the Panama Canal, nothing and nobody will make us take any steps backward.

5. TO EXPRESS our full and enthusiastic support for the healthy and praiseworthy role played by Gen Noriega and the Defense Forces of the Republic of Panama in the nation's life and in the democratization effort that the Panamanian Government is carrying out together with its people.

6. TO CONDEMN the betrayal of I. Roberto Eisenmann and the rest of the seditious group of drug traffickers and money launderers who are now engaging in coupist and petty politicking activities.

7. TO ASSERT to Central America and the rest of the world that we will continue struggling for life and peace through the Contadora Group.

8. TO RAISE the banner of our nationalist struggle over and above all internal and external obstacles as well as over and above the hateful and sickening verbal abuse, slander, and diatribe by people who are the executioners of their own, miserable lives so that the huge shadow they project will end up burying them forever in the darkness of their ignoble souls.

9. TO GUARANTEE to all Panamanians the victory of the new democracy in Panama, which is now en route to meet the year 2000.

PDP SAYS 'IMPERIALISM' BEHIND ATTACKS ON NORIEGA

PA171850 Panama City CRITICA in Spanish 17 Jun 86 p 16

[Communique issued by the People's Party, PdP, -- no date or signature given; capitalized passages as published]

[Text] On Thursday, 12 June, several U.S. media sources, including THE NEW YORK TIMES, published charges against General Manuel Antonio Noriega. Together with other international and local accusations and actions, they are actually part of a new escalation of imperialism's campaign aimed at totally recovering political power in Panama, to install a pro-U.S. regime that will be docile toward Reagan's policy, which is against the CONTADORA GROUP, and seeks to cruss the Sandinist revolution, end the Salvadoran people's struggle, beset Cuba, and put all the Central American and Caribbean countries, including Mexico, under the State Department and the Pentagon's yoke. In addition, this would permit Washington and the IMF to collect juicy sums from the burdensome foreign debt service.

The recourse used by the TIMES was immediately welcomed by [Secretary of State] Shultz, who not only said that the charges worry the State Department, but also that Panama should clarify them. This is a clear Yankee meddling in our domestic affairs. The reaction of the oligarchy, imperialism's submissive pawn, has been to quickly tie ends in an attempt to seize power riding on the space shuttle created with the TIMES accusations and other stratagems devised by Reagan's agents. In that way, Panama would revert to its status before 1968. Therefore, the people should be aware of the fact that the imperialists are the main "conspirators," who use the oligarchy's pawns who are dispersed in all the different groups to carry out their plans.

The PdP calls on all its members and urges the progressive forces in the world not to be deceived by this move made by Yankee imperialism. We urge all the popular organizations to remain alert and not let themselves be manipulated by the Christian Democracy and other sectors that are pleading for imperialism's intervention in Panama. Any change of government -- of any kind -- forged by the oligarchy-imperialism yoke would result in the brutal suppression of the masses -- workers, peasants, professionals, students, and Indians -- and would nourish an unpredictable climate of violence. The imperialists are doing everything possible to prepare the ground to remain in Panama after the year 2000, and to this end, they have the collaboration of the turncoats who are willing to given in.

PROGRESSIVE FORCES, LET US UNITE AGAINST U.S. IMPERIALISM'S MEDDLING

PALA COMMUNIQUE SUPPORTS NORIEGA, DELVALLE

PA171819 Panama City MATUTINO in Spanish 17 Jun 86 pp 1, 8 A

[Communique issued by the Panamanian Labor Party, PALA, on 14 June in Panama City]

[Text] The highest leaders of the Panamanian Labor Party, PALA, have visited General Manuel Antonia Noriega, commander in chief of the Defense Forces, to attest their unlimited support of him, due to the campaign of slanders that has been staged by people who seek to divide us and who attempt to create internal conflict, situations, as is happening in other brother countries in Central America.

The PALA leaders, headed by President Carlos Eleta Almaran, Secretary General Ramon Siero Murgas, attorneys Campo Elias Munoz and Luis de Leon Arias, the Honorable Legislators Florencio Asprilla and Arturo Vallarino, personally delivered the original document to Gen Manuel Antonio Noriega and to Colonel Roberto Diaz Herrera, chief of the high command. The communique affirms the total support of their [Defense Forces] actions for the best interest of the country.

Following is the full test of the manifesto to the country, by the leaders and the bases of PALA:

Communique:

The National Executive Committee of the PALA reports to the people its position regarding the campaign in the past few weeks by the foreign and local media against the institutional and economic safety and the dignity of our republic. This discrediting campaign has been directed in particular against the highest authorities of the national government and, more recently, against the defense forces and its commander in chief, Gen Manuel Antonio Noriega.

It is obvious that these violent attacks seek to provoke the destabilization of the country, to create an atmosphere of permanent anxiety to sink the Panamian society into a conflict similar to the one existing in other Central American nations.

It is not a coincidence that this antinational campaign instigated by a group of Panamanians has reached its highest intensity at the moment when the national government has been able to balance the financial situation of the country and is about to receive the first payments from the international banks, which will allow the government to maintain the social answers that the government has been giving to the Panamanians. This explains, however, this does not justify a small group of blind Panamanians not hesitating to lobby in the United States, seeking the suspension of the economic aid to our country. This also does not justify their intentions of destroying the national banking and financial system.

The PALA, as a member of the National Democratic Unity, UNADE, is firmly committed to defending the democratization process our country is experiencing and to preserving the public institutions. Therefore, it strongly rejects any attacks against the established constitutional order.

For all the above mentioned reasons, the PALA reaffirms its total support of President of the Republic Eric Arturo Dalvalle and his government, and to the Defense Forces, represented by Gen Manuel Antonio Noriega, commander in chief. Likewise, it urges all its members to remaining a state of alert waiting for the instructions that will be issued by the party's National Executive Committee, after previously consulting with the national organizations, in order to implement the defense strategy for the integrity and independence of the Republic of Panama whenever and wherever it becomes necessary.

Given in Panama City on the 14th day of June, 1986.

Carlos Eleta A., President

Ramon Sieiro M., Secretary General

CONEP PROTESTS NY TIMES REPORTS ON NORIEGA

PA171529 Panama City Televisora Nacional in Spanish 0028 GMT 17 Jun 86

[Text] The National Council of Private Enterprise, CONEP, this evening sent a telex to THE NEW YORK TIMES editor, A.M. Rosenthal, protesting the recent reports that slander General Noriega. The telex, signed by CONEP President Dulcidio Gonzalez, criticizes the charges against the officials of the Republic of Panama without first presenting the eivdence that confirms such alleged charges raised by the newspaper, which also contradict the objectivity that should prevail among all social communications media.

In concluding, CONEP tells THE NEW YORK TIMES editor that as businessmen and Panamanian citizens, we feel we have the right to request that you print the truth in your reports inasmuch as the absence of such truth is destabilizing our nation.

INVESTIGATION OF NORIEGA REPORTEDLY RULED OUT

PA172001 Panama City LA PRENSA in Spanish 17 Jun 86 p 1-a

[Article by Flor Quintero]

[Text] A source from the attorney general's office told LA PRENSA that the attorney general's office has ruled out the possibility of opening an investigation on General Manuel Antonio Noriega, over the accusations of alleged criminal acts, reported by THE NEW YORK TIMES, because a formal accusation has not been filed at this office.

However, according to attorneys consulted by LA PRENSA, the Judicial Code does not require the presentation of a formal accusation to start a criminal investigation. The awareness by an official of the attorney general's office of an unlawful act, by any means, should be sufficient for the attorney general's office to open an investigation.

According to the attorneys consulted, the accusations against Gen Noriega by the U.S. press are sufficiently supported, and come from sources that should not be overlooked; thus, the attorney general's office should open an investigation.

SPADAFORA FAMILY TO FILE CHARGES AGAINST NORIEGA

PA171942 Panama City EXTRA in Spanish 17 Jun 86 pp 1, 2

[Text] Relatives of the late Dr Hugo Spadafora will file criminal charges against General Manuel Antonio Noriega, commander in chief of the Defense Forces of the Republic of Panama [FDP].

Winston Spadafora, the brother of the doctor who was murdered on 13 September [1985] in Chiriqui, said that his relatives will file formal charges before the attorney general of the nation based on the new evidence published in U.S. newspapers that was obtained from CIA officials, the Pentagon, the State Department, and the National Security Agency.

The reports not only state that Gen Noriega planned Hugo Spadadora's murder, but also that he is linked to the laundering of money, arms and drug trafficking, and that he spies simultaneously for Cuba and the United States.

A few days ago, Winston Spadafora presented his brother's case before the OAS Inter-American Commission on Human Rights, whose executive secretary, Edmundo Vargas Carreno, requesterd more information on the case. Yesterday, in front of the OAS offices in this city, Winston Spadafora said that, considering that the reports against Noriega originated in an OAS member-country, he has asked Vargas Carreno to obtain further information from those agencies having offices in Washington.

In leaving the OAS offices in this capital yesterday, Spadafora told Panamanian journalists that the OAS official in charge of the office refused to receive the letter addressed to Vargas Carreno. In justifying his refusal to receive the document, the OAS official said that an organization such as the OAS cannot meddle in any country's domestic affairs.

The Spadafora family has invited civic, professional, religious, student, business, and political organizations to join them at 1530 Thursday at the Porras Plaza, from where they will go to the Attorney General's Office where they will present the charges against the FDR's commander in chief.

EL SALVADOR

COL VARGAS VIEWS MORAZAN ARMY OPERATION

PA170427 San Salvador Channel 2 Television in Spanish 1900 GMT 16 Jun 86

[Text] Salvadoran Colonel Mauricio Ernesto Vargas has described the 35-day counterinsurgency operation being carried out by the Army in the northern part of Morazan Department as successful. In an interview with Colonel Vargas, who is the present commander of Salvadoran Military Detachment No. 4 of San Francisco Gotera, he said that the operation started on 12 May and that it covers the entire department, but that most of the activity is concentrated in the mountainous area of northern Morazan.

According to Colonel Vargas, the guerrilla movement sustained 75 casualties during the operation. It lost 10 weapons caches, 1 small explosives factory, and a school for leftist training. Colonel Vargas added that during that period, 55 clashes occurred, including 2 major attacks, and 4 harassment operations.

[Begin Vargas recording] This is an ongoing operation that the Armed Forces are carrying out all over Morazan Department. It is an operation which increases in number of units and length of time, depending on the presence of the terrorist criminals in the various areas of that department. At the present time, most of the activity is taking place in the northern part of Morazan Department where we are located right now. The results up to this time are an average of 78 terrorist casualties, because 53 were killed and there are a number of wounded, I think we have about 15 wounded, 25 wounded. [sentences as heard] We destablized the logistic infrastructure through the destruction of 42 terrorist camps. [end recording]

Colonel Vargas gave his opinion regarding the dialogue proposed by the government.

[Begin Vargas recording] Well, definitely, dialogue is the rational mechanism for two persons to understand each other. Definitely, for two persons to understand each other, they have to talk, to hold a dialogue. Today, the thing to observe is the political philosophy, and the political system under which the dialogue will take place, because at a certain moment, one could, it is very difficult... [changes thought]

The process of thought has two characteristics: first, dissemination, and second, rejection. Two kindred thoughts disseminate, and two opposite thoughts reject each other. The Marxist-Leninist doctrine and communism are thoughts which as a political system, and as political philosophies are contrary to the democratic system. [end recording]

The Army operation in Morazan also covers the northeastern part of San Miguel Department, and according to explanations given by Colonel Vargas, that operation will soon be completed. According to leftist sources, since the beginning of hostilities in the country, the main FMLN bastion has operated in the rural areas of northern Morazan.

FMLN ON LEGITIMACY OF DUARTE GOVERNMENT

PA170418 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 16 Jun 86

["Commentary on the Document that Defines the FMLN's Principles and Objectives Regarding the Dialogue" -- read by announcer]

[Text] We will analyze the point where we state that the government will be our interlocutor in the dialogue only because it is the belligerent counterpart and not because it is legitimate. The electoral process which was held here lacks all validity and there is no independence. The elections have been controlled by the same genocidal and repressive Armed Forces -- now totally subordinated to the U.S. Government. Therefore, we do not accept the government's alleged legitimacy.

Our proposal for a political solution is, therefore, based on the assumption that there are two parties involved in the conflict; two powers with well-defined territorial, population, and military limits, which represent totally different interests. Hence, it should never be assumed that the dialogue will be used to impose one of the parties' viewpoints. Duarte's plans to impose his conditions for a dialogue cannot be accepted by our front.

How can Duarte ask that our people put down their weapons as a condition to sit at a negotiating table, at a time when the Christian Democratic government is increasing its genocidal policy, and systematically violating Salvadorans' rights? How can Duarte ask our people to put down their weapons when each step he has taken in the dialogue process has been in strict compliance with the Reagan administration's political needs? Napoleon Duarte has again accepted the dialogue in an attempt to cover up an increased bloody repression aimed at halting the people's discontent -- which worries the Yankees so much.

The government's repression even includes the Human Rights Commission itself. Duarte, is evidently carrying out the U.S. advisers' orders and is trying toi divert the world's attention toward the dialogue, while the military corps are in charge of the dirty work. Duarte is obviously trying to give a political facade to his dialogue maneuver, which includes repression. Consequently, we cannot recognize the legitimacy of a government which rose from fraudulent elections and is part of the Americans' counterinsurgency plan in our homeland. The government is obviously defending interests that are totally alien to the Salvadorans interests and, in order to carry out its imperialist masters' orders, has disregarded our people's hunger and plight.

We repeat: We talk with Napoleon Duarte's government simply because it is the counterpart in this conflict, not beause we recognize this government's legitimacy. Napoleon Duarte should clearly know that the FMLN will not be used for a maneuver to cover up a new increase in terror. We are always willing to achieve a political solution because we believe that a national solution will be the basis for a just peace which fulfills all the Salvadoran people's hopes. We will never pout down our weapons! We will never put down our weapoons, either before or after negotiations! Our rifles will be the guarantee and mark of our achievements! Peace in our country will not be achieved through Duarte's favors. Peace will be achieved through the consensus of the different sectors of our people which participate in its construction!

CEREZO DISCUSSES DOMESTIC, C.A. ISSUES

PM170823 Stockholm DAGENS NYHETER in Swedish 6 Jun 86 p 15

[Undated interview with President Vinincio Cerezo Arevalo by Eva-li Johansson: "The Power of the Military will be Limited"]

[Text] Guatemala City -- The honeymoon is over for Guatemala's new Christian Democrat President Vinicio Cerezo Arevalo. But despite the fact that he is facing gigantic problems in combination with great expectations and growing criticism, the president is clearly optimistic.

"The military is cooperating with me and I am now able to proceed more quickly with my political decisions than I had expected," he said. Vinicio Cerezo, 43 and a lawyer by profession, asked the Guatemalan people for 124 days of grace when he was inaugurated on 14 January this year. That was considered a reasonable request. After over 30 years of military dictatorship characterized by the disappearances and murders of nearly 40,000 people, a long civil war between the Army and the guerrillas, and great poverty for a majority of the population, he would be given the chance to begin the democratization process "in peace and quiet."

Vinicio Cerezo is known as a quick thinker and a good speaker, and even his toughest critics are forced to admit from time to time that he is a skillful politician. In an interview with DAGENS NYHETER he summed up the 124 days with an open, relaxed attitude. He expresses himself directly, without the florid and empty rhetoric which is so common among Latin American leaders.

"The military's realization that democracy is the only way to create peace in Guatemala has grown recently. At the present time I have no problems with the Army. It respects my decisions." He settles himself in his armchair, ponders for a few seconds, and then gestures toward the square outside the palace. "The most important change in Guatemala since I came to power is the feeling of freedom. Today the people can demonstrate out there in the square -- that was not possible in the past."

Vinicio Cerezo's critics point out however, that the word "freedom" should be placed against the fact that the crimes against human rights are continuing since the introduction of democracy. The newspapers write almost daily of "diappearances" and murders, and the corpses are later found bearing the marks of torture. "There are certain right-wing groups which engage in violence of this sort and over which it is, in the short term, difficult to gain control. But we are now looking into why this type of crime has increased recently. Those involved will be sentenced," the president said. Vinicio Cerezo has, however, made clear on several occasions that the officers who were responsible for crimes against human rights in the past will not be brought to trial. "That is a betrayal of democracy," say a number of opposition politicians, as does the GAM (Group for Mutual Support) organization which consists of relatives of those who have disappeared. They are now demanding that Cerezo work to abolish the edict, introduced by the military, which gives amnesty to those who committed political crimes in the period 23 March 1982 to 14 January 1986.

Vinicio Cerezo replied: "I will not put any obstacles in the way of the work of the Supreme Court and it is the Supreme Court which could reach a decision on whether the military should be brought to trial.

"This is a very difficult problem for me... Trials against the military would make democratization more difficult, and I see it as my foremost task to put an end to the crimes against human rights. The best way is to avoid a confrontation."

Certain international observers take the view that Cerezo runs the risk of a coup if the military is brought to trial, but this is a theory which Cerezo himself rejects. "I do not think that that is correct," he said simply.

However, opposition politicians take the view that the risk of a coup will increase if he does not improve the people's living conditions soon -- for then expressions of dissatisfaction will grow as will the military's ability to justify a coup. Some popular dissatisfaction has spread during Cerezo's period of grace. Demonstrations are becoming increasingly common as food prices sky rocket. Patience is wearing thin.

"It is possible that certain opposition politicians are waiting for a coup, but the problem is that the people have been waiting for 30 years and want everything to be changed at once. But I will succeed in improving living conditions, primarily for the farmers and the middle class. Private entrepreneurs have agreed to pay 500 million dollars in taxes and to increase workers' wages -- this is something unique in the country's history."

Internationally Cerezo has attracted attention for his active policy of neutrality in Central America. He recently took the initiative for the formation of a Central American parliament for the discussion of politics, peace and economics. The question is how far he can push this idea without falling foul of the United States -- on which he is economically dependent. "They have promised US 130 million dollars in economic support and now we will have to see if they give us what they have promised. But the thing is that the United States needs us too, and it is my hope that many U.S. politicians will understand that democracy in Guatemala is important for peace in Central America." On the changes of a peaceful solution of the conflicts in Central America, Vinicio Cerezo said: "The United States must attach greater weight to a diplomatic solution than to a military solution and Nicaragua must achieve internal democratic pluralism. They must each try to go halfway. The chances of achieving a peaceful solution? Fifty-fifty."

QUINONEZ REAFFIRMS NATION"S NEUTRALITY

PA172254 Guatemala City PRENSA LIBRE in Spanish 17 Jun 86 p 6

[Text] Foreign Minister Mario Guinonez Amezquita said yesterday that "Guatemala will not form any bilateral bloc with other countries" to seek peace in the region. He thus denied statements by Salvadoran officials to the effect that our country would support the creation of a bloc beyond the context of the Central American countries with that goal in mind. We reaffirm Guatemala's neutrality in the diplomatic and military conflicts in the region, and Guatemala does not promote isolaton.

"The Central Americans are most interested in and capable of resolving their own problems." The foreign minister stressed the importance of the role played by the Contadora and Lima Groups in their determination to solve the crisis in the region. The foreign minister confirmed that Peruvian President Alan Garcia will visit Guatemala, but he did not disclose a date.

CEREZO SCHEDULED TO VISIT MEXICO IN JULY

PA172213 Guatemala City Radio Television Guatemala in Spanish 0400 GMT 17 Jun 86

[Text] Guatemalan Foreign Minister Mario Quinonez Amezquita confirmed today that President Vinicio Cerezo will officially visit Mexico next July to meet with his counterpart, Miguel de la Madrid. Quinonez said that the exact date of the visit and the number of days Cerezo will remain in Mexico have not been established.

The foreign minister said that the two presidents will discuss the problem of the 45,000 Guatemalan refugees, mostly Indians, who are in Mexican territory, especially in the border city of Chiapas. These refugees fled during the army struggle against the guerrilllas. Guatemalan diplomatic sources have mentioned the possibility that the Cerezo-De la Madrid meeting will produce an agreement so that the refugees can return to their homeland. Foreign Minister Quinonez added that the presidents will also discuss economic issues, including the trade balance, which traditionally has favored Mexico, as well as the use of waters that the two countries share.

HONDURAS

LOPEZ CONTRERAS ASSERTS MANDATE FOR FOREIGN POLICY

PA172247 Tegucigalpa LA TRIBUNA in Spanish 17 Jun 86 p 6

[Excerpt] Honduran Foreign Minister Carlos Lopez Contreras said yesterday that he directs the Honduran Liberal Government's foreign policy, not President Jose Azcona, and that this is established by the Honduran constitution. In an interview at the presidential palace, Lopez Contreras, a member of the National Party of Honduras, took credit for all the Foreign Ministry's actions, by attributing all the decisions in the Honduran foreign policy to himself.

In answer to questions regarding the Sandinist situation vis-a-vis the fact that the Honduran Government's actions in the Contadora Group respond to U.S. interests, Lopez Contreras said: "I am not driven or induced by the U.S. Government." Lopez added: "My position in the Foreign Ministry is determined by what I consider to be the interests of Honduran security."

Explaining the reasons why Honduras refuses to sign the last document presented by the Contadora Group for the solution of the regional conflict, Lopez said: "In my opinion, that document does not guarantee Honduran security, and I have the responsibility of making sure that whatever is written in the document, and implemented afterward, responds to Honduran interests."

Lopez Contreras tried to deny the Holy Week border incidents with Nicaragua, during which Sandinist troops entered Honduran territory, and he said categorically: "In the last 5 months, the tension with Nicaragua has decreased a great deal, and there is dialogue among the five Central American governments."

ARMED FORCES ISSUE COMMUNIQUE ON BRIBERY CHARGES

PA172133 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 17 Jun 86

[Report by Jose Danilo Izaguirre]

[Text] Reports from the United States transmitted by the Voz de Honduras Network stated that General Walter Lopez Reyes, former commander in chief of the Armed Forces, received $450,000 from the counterrevolution [as heard] while he held that position in the military institution. The reports also referred to other funds delivered to the Honduran Armed Forces, giving dates and other details. In this sense, General Humberto Regalado Hernandez, commander of the Honduran Armed Forces, appointed a commission within the military institution to issue a report to the Armed Forces and the Honduran people clarifying if, in fact, Gen Lopez Reyes and other military officers had received money from the counterrevolutionary groups [as heard]. Here is the official communique:

The Honduran Armed Forces Public Relations Directorate informs the national and international public of the following:

1. In view of the tendentious reports from the United States divulged by the U.S. press, Brigadier General Humberto Regalado Hernandez, commander of the Armed Forces, appointed an investigating commission to handle this case at the highest levels. The investigating commission thoroughly analyzed the situation and categorically confirmed that none of the institution's officers have been bribed. The Honduran Armed Forces have maintained their principles at all times and are determined to reaffirm their position in defense of the Honduran people's dignity and sovereignty. The Honduran people should trust their Armed Forces and should not pay attention to speculations that are clearly aimed at discrediting the institutions we defend with honor, loyalty, and sacrifice.

[Signed] Tegucigalpa, D. C. 16 June 1986

Public Relations Directorate of the Honduran Armed Forces.

AZCONA CREATES SOCIAL DEVELOPMENT CABINET

PA172153 Panama City ACAN in Spanish 1232 GMT 15 Jun 86

[Excerpts] Tegucigalpa, 14 Jun (ACAN-EFE) -- Today, the Honduran Government founded a social development cabinet to explore, analyze, discuss, and evaluate social programs and projects. The new cabinet will also strengthen planning and administrative procedures to ensure their efficiency and effectiveness and will support and seek financing for the various social projects and programs. The cabinet was created as an organization to advise the president of the republic in directing and coordinating state social policies.

The advisory group is made up of President Jose Azcona Hoyo; the ministers of government, finance, labor, health, culture, education, and planning; and representatives of the National Social Welfare Board and the Housing Institute. Other sectors will also take part in the social development cabinet. The social development cabinet will receive technical and financial assistance from several international organizations.

CONTRAS REPORTEDLY TRAINED BY MARINES JAILED

PA180307 Managua Radio Sandino in Spanish 0000 GMT 17 Jun 86

[Text] Three counterrevolutionaries who were trained in the use of explosives by three U.S. Marines in Honduras have been sentenced to 11 years in jail for violating the law on maintenance of public order and security.

The sentence returned by the anti-Somozist People's Tribunals [TPA] states that defendants (Domingo Gamagli Salazar Formos), (Luis Alfonso Barahona Camacho), and (Joaquin Arrechavala Mendieta), went together with a Somozist mercentary task force to the (Las Legas) camp in Honduras and were taken from there to a camp called (Capire), in Honduran territory, where they were trained in the use of C-4 explosives, Claymore mines, and safety fuses and in the handling of infantry weapons by three U.S. Marines.

According to the record of the case built by the TPA, Enrique Bermudez, former GN [National Guard] member and contra chieftain, explained to them the terrorist plan called the (Caderega Plan) to hamper the celebrations of the sixth anniversary of the Sandinist people's revolution last year.

CONTRAS CUT OFF POWER IN 3 DEPARTMENTS

PA180335 Paris AFP in Spanish 0304 GMT 18 Jun 86

[Text] Managua, 17 Jun (AFP) -- Three departments in northern Nicaragua have been wthout electricity since daybreak today when the anti-Sandinist Nicaraguan Democratic Force (FDN) sabotaged a power tower, according to a source from the Nicaraguan Electricity Institute (INE). The tower was blown up at the town of El Ojoche, near San Isidro, Esteli Department, only 110 km from Managua, on the Pan-American Highway.

Initial reports indicate that the inhabitants of El Ojoche were awakened by a strong explosion that left the Esteli, Madriz, and Nueva Segovia Departments, with a population of 300,000 people, without power. However, as of this afternoon, the Defense Ministry had not issued any communique on the incident, and it is not known if there were any casualties or confrontations with the FDN guerrilla commandos. According to the INE, electricity will be restored during the coming weekend.

This is the third act of sabotage against electricity towers in the Las Segovias region thus far this year. The guerrilla operation seems to be the forerunner of a new FDN offensive, which the Sandinists have been expecting during the celebrations of the seventh anniversary of the revolution on 19 July, along with the discussion of $100 million in aid for the contras by the U.S. Congress.

OFFICIAL LINKS RADIO MARTI, U.S. IMMIGRATION TIES

PA172159 Madrid EFE in Spanish 2102 GMT 17 Jun 86

[By Juan Jesus Aznarez]

[Text] Havana, 17 Jun (EFE) -- A high-ranking Cuban government official asserted here today that the anti-Castroite radio station "Radio Marti" will have to disappear for immigration agreements between Cuba and the United States to be resumed.

"The only reason the application of the immigration agreements was halted was the U.S. decision to begin those broadcasts. This is an obstacle that must be eliminated," Deputy Foreign Minister Ricardo Alarcon told EFE.

Alarcon represented Fidel Castro's government during the negotiations of the immigration agreements signed by Havana and Washington on 14 December 1984, in which the United States agreed to grant 20,000 visas annually to Cuban citizens in exchange for the repatriation of 2,700 "undesirable Marielitos."

The deputy foreign minister said that if what happened with the radio happened with television, the situation that resulted in the suspension of the agreements would grow even worse. When asked if the closing of the station would be a sine qua non condition to resume the agreements, Alarcon reiterated that this obstacle must be eliminated.

"How can the obstacle be removed? I think this is a matter for those who created it to decide. Whether it is by closing the station, by putting an end to it, or by turning it into a Hispanic cultural center in Miami, that is their problem," he noted. "However, the act of beaming broadcasts to Cuba with a station of this nature, for this purpose, and what this entails politically was the cause of the interruption, and the agreement cannot be resumed as long as this cause fails to disappear," Alarcon added.

At any rate, there are no grounds to imagine that the U.S. Government is thinking of closing the station, which was inaugurated on 20 May 1985. A few days ago, U.S. President Ronald Reagan granted an interview to Radio Marti's director and said that "it will help the Cuban people learn the truth," thereby announcing that it will continue operating. The reassertion of their own positions by Cuba and the United States is keeping the bilateral crisis in a deadlock that is difficult to break.

Competent diplomatic sources in Havana recently pointed out: What are they waiting for? "Do they believe that some day they will have another U.S. Administration that will have another opinion of Cuba? I doubt that."

"The United States has maintained a consistent policy toward Cuba throughout the years. It is a very harsh policy that has not changed very much," they added. "With the information we have regarding the conduct and the reasoning of the present U.S. Administration, one would have to be very imaginative to be optimistic," Alarcon said. "However, I know that this administration will not last forever," and added: "This administration's style will not be eternal; frankly, I do not believe that the United States can maintain views, criteria, and positions such as those that have characterized the Reagan administration for an extended period of time."

"I am optimistic regarding the long- and medium-terms," he said. Regarding the possibility of transmitting a television signal to Cuba, the deputy foreign minister said: "I only know what I have read by U.S. sources. It is said that this has been proposed by some people."

"I am not against listening to foreign radio stations or viewing foreign television; this already happens here very frequently, and in a certain sense this constitutes modern technological development."

The deputy foreign minister said that the problem lies in the "political intention." "For the time being, as long as this is viewed as a means of reinforcing a line of action toward Cuba, as reflected by the so-called "Radio-Marti," this will evidently only aggravate the situation, complicating it further," he said.

Contact between the United States and Cuba is currently being developed at the special interests level, and this is handled by Curtis Kamman in Havana and Ramon Sanchez Parodi in Washington. "In reality, there has been no important contact at any level between the two governments lately," Ricardo Alarcon said.

ATTACKS ON NORIEGA SEEK DESTRUCTION OF CONTADORA

PA141630 Havana International Service in Spanish 0000 GMT 14 Jun 86

[Report by Sergio Ferrari of ANN in Managua via live telephone relay]

[Text] In another apparent effort to kill the Contadora peace process, senior U.S. officials launched very grave charges against General Manuel Antonio Noriega, commander in chief of the Defense Forces of Panama, through THE NEW YORK TIMES.

The accusations include drug trafficking, support for Colombia's M-19 guerrilla group, the assassination of Dr Hugo Spadafora, and money laundering. Just as it occurred 2 weeks ago with Mexico when various officials of the Reagan administration accused the Miguel de la Madrid government of corruption linked to drug trafficking, many independent analysts believe that the attacks against the Panamanian general are due to Washington's efforts to undermine or even to destroy the peace process that those two countries promote along with Colombia and Venezuela.

According to several Latin American diplomats accredited in the United Nations, the U.S. support for the peace process, which never went beyond verbal support, has ended and it has begun an open effort to destroy it. The discrediting of some of the Contadora member-governments forms part of this plan they said.

U.S. BLAMED FOR RECENT SOUTH AFRICAN ATTACKS

FL171139 Havana Radio Progreso Network in Spanish 1100 GMT 17 Jun 86

[Text] At the United Nations, Cuba has asserted that South African attacks against its neighbors are a direct result of the constructive engagement policy the United States has with Pretoria's racists. The Cuban representatives told the Security Council tht the U.S. policy encourages and guarantees impunity of Pretoria's criminal acts against its neighbors.

WINNIE MANDELA INTERVIEWED ON TRADE EMBARGO

PA180311 Havana International Service in Spanish 0000 GMT 18 Jun 86

[Text] Radio Havana Cuba has been granted a telephone interview with Winnie Mandela, the wife of South African leader Nelson Mandela, who has been in jail for almost a quarter of a century. Today, we offer you an excerpt of that interview in which Winnie Mandela first gives her opinion as to whether or not a total commercial embargo against South Africa would help to end apartheid.

[Begin Mandela recording; in English with superimposed Spanish translation] Undoubtedly, that is the sole peaceful door that is open for us.

From the beginning, we were a peaceful people. Up until the sixties the African National Congress had not revolted against its oppressors. Up to that time, we, the blacks, tolerated the racism that existed in the country. We tolerated the worst insult that a human being can endure, the insult to human dignity, one of the most basic violations of human rights.

But it is obvious that the regime was not willing to change that policy. However, it is also obvious that we could not bear the humiliation of living oppressed by the racist minority any longer. Therefore, we decided to take the unavoidable road of the armed struggle. We decided not to turn the other cheek. We have been abused too much throughout these years. The government not only attacked individuals, it also literally occupied our towns and unleashed a terrible violence never known before in the world.

We do not see any choice for a peaceful solution other than the application of measures that strangle the regime economically and isolate it completely. Let the foreign companies not be an obstacle in our struggle. Let them not finance the bloodshed. Let them not finance the armament with which the regime kills us each day. Each time that we bury one of our dead, each time we pick up our brothers fallen on the streets, we know that the main allies of the bloodshed are the governments of the United States and Great Britain.

I do not think that at this point, there is a better choice than the economic sanctions against the regime, but they should all be compulsory. In that way, the racist minority will be forced to kneel down.

The drop of the rand, the national currency, was a telling lesson for our oppressors. For the first time, we saw the white South Africans react against the country's oppression, simply because their pockets were also affected. [end recording]

Finally, we asked Winnie Mandela about the 10th anniversary of the barbarity against the children in Soweto, commemorated at the time the struggle is strengthening. Specifically, we asked her about the meaning of the international solidarity movement for the South African people.

[Begin Mandela recording] If we had not had the brotherly and solidaristic support of all of mankind, I think that the immorality of the racist regime would have hardly been known.

One of the main reasons for continuing our struggle against apartheid is that we know that the most conscientious part of the international community is on our side.

Among all those people who have identified ourselves with our painful struggle is the Cuban people. You gave us your moral support to continue struggling against all adversities. From you, even our children received the needed encouragement to continue their liberation struggle against one of the most powerful and best armed armies of the world. Our children, our besieged brothers and sisters, are facing the enemies' machine guns with empty hands. [end recording]

We offered you a Spanish version of the interview granted to Radio Havana by Winnie Mandela, the wife of Nelson Mandela, who has spent almost a quarter of a century in South African jails.

AFGHAN DEPUTY FOREIGN MINISTER ARRIVES

FL171540 Havana Radio Reloj Network in Spanish 1418 GMT 17 Jun 86

[Text] Sarwar Yuneis, foreign deputy minister of the Democratic Republic of Afghanistan, arrived in Cuba today on an official and friendly visit. The Afghan minister was greeted at the Jose Marti International Airport by Foreign Ministry officials. Topics of bilateral interest will be discussed during the Afghan minister's visit.

DPRK OFFICIAL PRAISES REUNIFICATION COMMITTEE

FL171646 Havana Radio Periodico del Aire in Spanish 1600 GMT 17 Jun 86

[Text] The Cuban Committee in Support of the Reunification of Korea has celebrated its 10th anniversary in Havana with a friendly meeting. (?Kim Chong-hyong), vice president [as heard] of the External Affairs Department of the DPRK Central Committee, offered his congratulations on the anniversary and said that each year the committee sponsors a day of solidarity with the Korean people, which his country's government and party will never forget.

NATIONAL CYPRIOT BROADCAST OFFICIALS SIGN PROTOCOL

FL171819 Havana Television Service in Spanish 1700 GMT 17 Jun 86

[Text] The presidents of the board of directors of the Cyprus Broadcasting Corporation Gavriil Skottis and the Cuban Institute of Radio and Television Ismael Gonzalez today signed a cooperation exchange protocol which will allow the broadening of relations between the two organizations. The Cypriot delegation, which has been in Cuba for the last 4 days, is also composed of the corporation's director general, Dhimitrios Kiprianou. The visitors have toured social, historic, and tourist installations.

DOMINICA

PARLIAMENT APPROVES GOVERNMENT BUDGET

FL172358 Bridgetown CANA in English 2320 GMT 17 Jun 86

[Text] Roseau, Dominica, June 17, CANA -- For the first time ever, the Dominica Parliament approved the government's budget today without debate when the opposition refused to reply.

For almost a year, the Dominica Labour Party (DLP) has protested the government's stoppage of live broadcasts of parliamentary proceedings by largely remaining silent. DLP leader Michael Douglas had hinted at the weekend that his party would break its boycott.

Responding to the opposition move, Prime Minister Eugenia Charles later said that the government would immediately put into effect a resolution approved by the House of Assembly earlier this year, recommending that those who did not participate in its proceedings should not be paid.

At the start today, a five minute silence elapsed after Speaker of the House Marie Davis-Pierre announced that the debate could begin. Neither the seven opposition members present, nor the 21 government parliamentarians addressed the House. Charles then declared that since there were no comments, the House would proceed with the passage of the EC 138.8 million dollar appropriation bill.

Douglas had indicated over the weekend that it was likely that opposition members would participate in the budget debate, and the state-owned DBS Radio announced that the opposition leaders' contribution would not be edited, and broadcast in full this evening. But Douglas said today that the opposition was dissatisfied since indications were that all presentations would not be broadcast verbatim.

The budget presentation was broadcast live yesterday, and Douglas said we could not respond to the budget since the terms of our response were unequal to that taken by the prime minister.

Government parliamentarians will comment on the budget on a series of radio programmes this week, while the opposition said it will reply to the proposals at public meetings islandwide, starting in the capital tonight.

Only the DLP's shadow minister for community development Eden Durand has broken the opposition's silence since the protest began.

An amendment to the estimates approved today suggested that Durand may be the only parliamentarian to receive a salary during the next financial year, since the payments to the other opposition members have been put in reserve. Explaining, Charles said: There is no law that says I must pay any parliamentarian, not even a minister of government. The only reason why we do pay is because we budget for it every year, she said. In this (budget), we have certainly decided that persons who do not participate, their money should be reserved, they should not be paid. She said Durand's salary would also be stopped if it became evident that he had rejoined the protest. Douglas insists that, as soon as the salaries of opposition members are stopped, they would sue the government.

FBIS DAILY REPORT
CONTENTS

Latin America

Vol VI No 118 19 June 1986

INTER-AMERICAN AFFAIRS

New Draft Contadora Peace Act Published A 1
[EXCELSIOR 9 Jun]

ARGENTINA

Finance Secretary Brodersohn Leaves for U.S. B 1
Bolivian Vice Consul to Rosario Found Murdered B 1
Military Court Ordered To Hand Over Cases B 2
[BUENOS AIRES HERALD 17 Jun]
Nuclear Commission Workers on 24-Hour Strike B 2
Alsogaray Speaks of Impending Liberal Merger B 3
[BUENOS AIRES HERALD 17 Jun]

BOLIVIA

President Paz Sends Letter to Gorbachev C 1
Bedregal Says Sea Outlet Talks 'This Year' C 1
President Urges Miners To Work in Agriculture C 2
Information Minister Views COB Referendum C 3
[EL DIARIO 9 Jun]
Briefs: Inflation Rate Drops; Cocaine Seized in Chapare C 3

BRAZIL

Itamaraty Spokesman Denies Libyan Arms Deal D 1
[FOLHA DE SAO PAULO 18 Jun]
Chile Interested in Weapons, Techniques D 1
[O GLOBO 17 Jun]
Argentine Navy Staff Chief Received With Honors D 1
[O GLOBO 17 Jun]
Sarney Sends Message to UN on South Africa D 2
[O GLOBO 17 Jun]
Priests To Leave for Cuba, Nicaragua 24 June D 2

CHILE

Foreign Minister Delivers Speech on Antarctica E 1
[LA TERCERA DE LA HORA 10 Jun]
Del Valle Goes to Rome To Arrange Pope's Visit E 1
Police Enter University; 150 Students Arrested E 2
New Newspaper To Be Published Next March E 2

COLOMBIA

'New Technique' of Terrorism Seen in Attack F 1
Minister Views Attack F 1

Agreement With Venezuela on Territorial Violations [EL TIEMPO 16 Jun] F 2
52 kg of Cocaine, Numerous Arms Seized [EL TIEMPO 15 Jun] F [illegible]

PERU

Women's SI Meeting Ends; New President Elected J 1
Prime Minister Alva Visits PRC, Signs Agreements [cross-reference] J 1
Riots Break Out in Prisons Holding Terrorists J 2
  Order Restored J 3
Terrorists Leave Four Dead, Three Injured J 3

VENEZUELA

Lusinchi Speech to Dominica's Prime Minister Charles [EL NACIONAL 11 Jun] L 1
Danish Foreign Minister Meets With President L 2
  Meets With Consalvi L 2
Lusinchi Visits DIM, Appoints New Director L 2
Socialist International President Brandt Arrives L 3
Eden Pastora on U.S. Policy Toward Nicaragua L 4

MEXICO

Petricciolí Speaks at Swearing-in Ceremony M 1
France To Mediate on Foreign Debt Negotiations M 1
Briefs: May Drug Statistics; 1986 Drug Control Data M 2

PANAMA

Contradictory Reports on Destination of Seized Weapons N 1
  Defense Forces Investigate N 1
  'Presumably' for Shining Path N 1
  For Salvadoran FMLN [STAR AND HERALD 28 Jun] N 2
U.S. Ambassador's Explanatory Noted Viewed [LA PRENSA 18 Jun] N 2

CENTRAL AMERICA

EL SALVADOR

FMLN Reports Recent Actions in Chalatenango [Venceremos] P 1

GUATEMALA

Army Stops Rebel Operation Near Mexican Border P 1
Rebels Attack Municipality, Seize Supplies [PRENSA LIBRE 18 Jun] P 1

HONDURAS

Azcona To Visit El Salvador, Dominican Republic P 2
Gen Lopez Reyes' Letter to U.S. Ambassador P 2
Poll Indicates Rejection of U.S. Troops, Contras P 4

NICARAGUA

Contadora Document Marks 'Notable Progress' [BARRICADA 14 Jun] P 5
Ambassador to Colombia Views Contadora P 7
Panama Seizes 'CIA Vessel' With Arms for Contras P 7
New Soviet Ambassador Arrives in Managua [BARRICADA 17 Jun] P 7
Further on Contra Sabotage of Power Tower [AFP] P 8

CUBA

Castro Presides Over Ceremony Honoring Athletes Q 1
Foreign Minister Interviewed on RSA Sanctions Q 1
Envoy on South African Attacks on Angola Q 2
Oscar Fernandez Receives Peruvian Ambassador Q 3
Risquet Meets With Guinea Bissau Official Q 3
Juan Almeida Presides Over MINREX Ceremony Q 3
Government Joins ALADI With Observer Status [Montevideo] Q 3
Brazilian Theologian Frei Betto Arrives Q 4
Brazil Denies Entry Visa to ICAP Official Q 4
ANAP Official Presides Over Peasant Meeting Q 4
Politburo Member Hart on Culture Activities Q 4
Esteban Lazo Closes Construction Industry Meeting Q 4
Politburo Member Machado Closes UJC Meeting Q 5
Merchant Marine Fleet To Increase by 35 Ships Q 5
Briefs: New Uruguayan Ambassador Q 5

CARIBBEAN

Ministers Call for Sanctions Against RSA S 1
  Simmonds Condemns Apartheid S 1

ANTIGUA-BARBUDA

Prime Minister Calls for West Indian Nation S 1

DOMINICA

Charles Outlines Agricultural Investments S 2
DLP's Parliament Membership Further Reduced S 2

HAITI

Latortue Announces Trial of Former Police Chief S 3

GUYANA

Venezuela Seeks To Strengthen Bilateral Trade T 1
Opposition Calls for Inquiry Into Burnham Assets T 1
Sugar Harvest Completed; Goal Exceeded T 1

SURINAME

Netherlands Citizens Arrested for Espionage U 1
Improved Caricom, Trinidadian Relations Sought U 1
Bouterse Discusses Labor Problems With Cabinet U 1

NEW DRAFT CONTADORA PEACE ACT PUBLISHED

PA140001 Mexico City EXCELSIOR in Spanish 9 Jun 86 pp A-1, A-10, A-37, A-38, A-39

["Final version" of the Contadora Document for Peace and Cooperation in Central America submitted to Central American countries at meeting in Panama City on 6 June -- uppercase passages published in boldface]

[Text] PREAMBLE

The governments of the Republics of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua:

1. Aware of the urgent need to strengthen peace, cooperation, trust, democracy, and the economic and social development of the nations in the region through the enforcement of principles and measures to promote greater understanding among the Central American governments;

2. Concerned over the situation prevailing in Central America, which is characterized by a serious deterioration in political confidence; a deep economic and social crisis; the serious situation faced by refugees and displaced people; border incidents; the arms buildup; arms smuggling; the presence of foreign military advisers; the holding of international military maneuvers in the territory of states in the region; the existence of military bases, schools, and installations, and other forms of foriegn military presence as well as the use of the territory of some states by unconventional forces in order to carry out destabilizing actions against other states in the region;

Convinced that:

3. The tensions and current conflicts may grow worse and lead to a widespread military conflagration;

4. The objective of restoring peace and confidence in the area may only be attained through unlimited respect for the principles of international law, particularly the one referring to the right of peoples to freely select, without foreign interference, the model of political, economic, and social organization that best suits their interests through institutions representing their freely expressed will;

5. It is important to create, promote, and bolster representative, participatory, and pluralistic democratic systems in all countries in the region;

6. It is necessary to establish political conditions aimed at guaranteeing the security, integrity, and sovereignty of the states in the region;

7. The attainment of genuine regional stability lies in the adoption of agreements on matters of security and disarmament;

8. In order to adopt measures aimed at stopping the arms race in all of its modes, account must be taken of the national security interests of the states in the region with a view toward establishing a reasonable balance of forces;

9. The establishment of ceilings of military development, troop strength, and military installations in keeping with the stability and security needs in the area would be highly advisable for the establishment of the reasonable balance of forces;

10. Military superiority as an objective of the states in the region; the presence of foreign military advisers; the holding of international military maneuvers in the territory of states in the region; the existence of military bases, schools, and installations and other forms of foreign military presence as well as unconventional forces; and arms smuggling endanger regional security and constitute destabilizing elements in the region;

11. That the regional security agreements should be subject to an effective verification and control system;

12. That the destabilization of the governments in the area by advocating or supporting activities by irregular groups or forces, terrorist actions, subversion, or sabotage, and the use of a state's territory for actions that affect the security of another state is contrary to the basic rules of international law and of peaceful coexistence among states;

13. That the creation of documents that will allow the application of a policy of detente should be based upon the existence of trust between the states that will effectively diminish political and military tensions among them;

14. Recalling the United Nations' decisions regarding the definition of aggression, and other actions prohibited by international law, particularly in resolutions Nos 3314 (XXIX), 2625 (XXV), and 2131 (XX) of the UN General Assembly, as well as the pertinent resolutions established by the OAS;

15. Taking into account the declaration regarding the strengthening of international security adopted by the UN General Assembly in its resolution No. 2734 (XXV), as well as the inter-American system's respective juridical instruments;

16. Reaffirming the need to promote national reconciliation actions in those cases where there have been deep schisms within society, which will allow popular participation in accordance with the law, in authentic political processes of a democratic nature;

Whereas:

17. Beginning with the UN Charter in 1945 and the Universal Human Rights Declaration in 1948, different international organizations and conferences have prepared and adopted declarations, pacts, protocols, conventions, and laws that tend to provide effective protection of human rights in general, or of some specific human rights;

18. That not all of the Central American states have accepted all of the international instruments that exist in regard to human rights, and that it would be desirable for them to accept these instruments in order to have an integrated system that would make respect possible and guarantee human, political, civilian, economic, social, religious, and cultural rights;

19. That in many cases, inadequate internal legislation interferes with the effective implementation of human rights as defined in statements and other international instruments;

20. That each state should be concerned over modernizing its legislation so that it will guarantee the effective enjoyment of human rights;

21. That one of the most effective ways of achieving the implementation of the human rights stated in the international instruments, political constitutions, and laws of the different states consists in having the judicial branch enjoy enough authority and autonomy to end the violations those laws are subject to;

22. That in order to do this, the judicial branch's total independence must be guaranteed.

23. That that guarantee will only be achieved if judicial officials enjoy stability in their posts, and the judicial branch has economic autonomy, so that its independence from other branches can be total and indisputable;

Similarly convinced of:

24. The need to improve just economic social structures that consolidate a genuinely democratic system that allows their peoples full access to the right to employment, education, health, and culture;

25. The high level of interdependence among the Central American countries as well as of the potential which the process of economic integration offers;

26. The dimensions of the social and economic crisis affecting the region which becomes evident in the need to implement structural, economic, and social changes that would allow a decrease in dependency and promote the Central American countries' self-sufficiency as they reaffirm their own identity;

27. The need to cooperate in the efforts each country is making to accelerate its social and economic development through mutual active assistance compatible with the development needs and objectives of each country;

28. The need to consolidate the process of Central American integration into an effective instrument for economic and social development based on justice, solidarity, and mutual benefits;

29. The need to reactivate, upgrade, and restructure the process of Central America's economic integration through the active and institutional participation of the states of the region;

30. The key role Central American institutions and authorities must play in reforming the current economic and social structures and in reinforcing the process of regional integration;

31. The need and advisability of jointly undertaking economic and social development programs to contribute to the process of economic integration in Central America within the framework of development plans and priorities which are adopted by our countries as sovereign nations;

32. The indispensible need of expanding and reinforcing the programs by international, regional, and subregional financial institutions for Central America in view of the essential need of investments for Central America's development and economic recovery, as well as of the joint efforts to obtain financing for specific priority projects;

33. The need to provide urgent attention to the massive flow of refugees and displaced people caused by the regional crisis;

34. Concerned by the constant deterioration of the social conditions, including employment, education, health, and housing, in the Central American countries;

35. Reaffirming, without excluding the right to appeal to other competent international forums, the commitment to resolve their controversies within the framework of the current document.

36. Recalling the support conveyed to the Contadora Group through Resolutions Nos. 530 and 562, of the UN Security Council and Resolutions Nos. 38-10 and 39-4 of the UN General Assembly, as well as Resolutions Nos. AC-RES 675 (XIII-0-83) and AG-RES (SIV-84) of the OAS General Assembly; and

37. Prepared to fully comply with the document of objectives and guidelines to implement the commitments acquired in that document, which were signed by the ministers of foreign relations in Panama on 9 September 1983 and on 8 January 1984 respectively, under the aegis of the Governments of Colombia, Mexico, Panama, and Venezuela, which comprise the Contadora Group.

They have agreed on the following:

CONTADORA DOCUMENT FOR PEACE AND COOPERATION IN CENTRAL AMERICA

Part I

COMMITMENTS

Chapter I

GENERAL COMMITMENTS

SINGLE SECTION. Principles.

The parties pledge, in accordance with the obligations stemming from international law which they have undertaken:

1. To respect the following principles:

a) Renouncement of threats or use of force against the territorial integrity or political independence of the states.

b) Peaceful settlement of controversies.

c) Nonmeddling in the internal affairs of other states.

d) Cooperation among states for the resolution of international problems.

e) Juridical equality of the states, respect for sovereignty and self-determination of peoples, and promotion of respect for human rights.

f) Right to freely engage in international trade.

g) Abstention from engaging in discriminatory practices in economic relations among states, respecting their systems of political, economic, and social organization.

h) Compliance in good faith obligations assumed in accordance with international laws.

2. Pursuant to these principles:

a) They will abstain from engaging in any action that is not consistent with the objective and principles of the UN Charter and the OAS Charter; that violates the territorial integrity, political independence, or unity of any state; and particularly any similar action that may constitute a threat or use of force.

b) They will settle their controversies through peaceful means in accordance with the fundamental principles of international law set forth in the UN Charter and the OAS Charter.

c) They will respect the rules embodied in the treaties and other international agreements with regard to diplomatic and territorial asylum.

d) They will respect the existing international border among states.

e) They will abstain from militarily occupying the territory of any of the other states in the region.

f) They will abstain from any act of coercion of a military, political, economic, or any other nature aimed at subordinating to their own interests the exercise by other states of the rights inherent in their sovereignty.

g) They will take all actions necessary to guarantee of their borders by irregular groups or forces seeking to destabilize, from their own territory, the governments of other states.

h) They will not allow their territory to be used to carry out acts in violation of the sovereign rights of other states and will see to it that conditions prevailing therein will not pose a threat to international peace and security.

i) They will respect the principle that no state or group of states has the right to intervene directly or indirectly by force of arms or any other type of meddling in the international or external affairs of another state.

j) They will respect the right of self-determination of peoples, free of foreign intervention or coercion, avoiding the direct or covert use of force to break up the national unity and the territorial integrity of any other state.

Chapter II

COMMITMENTS ON POLITICAL MATTERS

Section 1. Commitments regarding regional detente and fostering of trust.

The parties pledge to:

3. Promote mutual trust through all means available to them, and to avoid any action which may disrupt peace and security in the Central American area.

4. Refrain from issuing or promoting propaganda endorsing violence or war or propaganda hostile to any Central American government, and comply with and spread the principles of peaceful coexistence and friendly cooperation.

5. Towards that goal, their respective government agencies will:

a) Avoid any verbal or written declaration that may aggravate the current conflict-ridden situation in the area.

b) Urge the mass media to contribute to the understanding and cooperation among the peoples of the region.

c) Promote greater contact and information among the peoples through cooperation in all fields related to education, sciences, technology, and culture.

d) Jointly study future actions and mechanisms that will contribute to achieve and reinforce a climate of stable and lasting peace.

6. Jointly seek a regional solution to eliminate the causes of tension in Central America, protecting the inalienable right of the peoples in the face of outside pressures and interests.

Section 2. Commitments regarding national reconciliation.

Each one of the parties acknowledges before the other Central American states the commitment it has made with its own people to guarantee that internal peace is preserved as a contribution to peace in the region, and therefore resolves to:

7. Adopt measures towards the establishment or, as the case may be, to improve democratic, representative, and pluralistic systems that guarantee the effective participation of the people's politically organized in the decisionmaking process and that ensure free access of the diverse currents of opinions to honest and periodic electoral processes based on full compliance with the rights of the citizens.

8. Urgently promote, in those cases where there are deep divisions within society, actions towards a national reconciliation so as to allow the people to participate with full guarantees in genuinely democratic processes based on justice, liberty, and democracy; and to create the mechanisms to allow talks with opposition groups, in accordance with the law, in order to achieve that goal.

9. To issue, or, as the case may be, to endorse, broaden, and improve legal guidelines to offer a genuine amnesty that would allow citizens to fully resume their political, economic, and social activities. Likewise, it agrees to guarantee the sanctity of the lives, liberty, and personal safety of the people who have received amnesty.

Section 3. Commitments regarding human rights.

In accordance with their respective internal laws and with the obligations they have acquired based on international law, the parties pledge to:

10. Guarantee full respect of human rights, and to abide by the obligations contained in international legal instruments as well as constitutional rulings on the matter in order to achieve this goal.

11. Initiate their respective constitutional proceedings so as to adhere to the following international instruments:

a) International Agreement on Economic, Social, and Cultural Rights of 1966.

b) International Agreement on Civil and Political Rights of 1966.

c) Enabling Protocol of the International Agreement on Civil and Political Rights of 1966.

d) International Convention on the Elimination of All Forms of Racial Discrimination of 1965.

e) Convention on the Status of Refugees of 1951.

f) Protocol on the Status of Refugees of 1967.

g) Convention on the Political Rights of Women of 1952.

h) Convention of the Elimination of All Forms of Discrimination Against Women of 1979.

i) Protocol to Modify the Convention on Slavery of 1926 (1053).

j) Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery of 1956.

k) International Agreement on the Civil and Political Rights of Women of 1953.

l) American Convention on Human Rights of 1969.

m) International Convention Banning Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment of 1985.

12. Draft and present at its competent internal organs the necessary legislative initiatives with the purpose of speeding up the modernization and updating of its regulations to make them more suitable to foster and guarantee due respect for human rights.

13. Draft and present at its competent internal organs the necessary legislative initiatives to:

a) Guarantee the independence and stability of those in charge of the judicial branch so that they can operate without political pressure, and also guarantee the stability of the other judicial branch officials.

b) Guarantee the judicial branch's autonomy and sufficiency regarding its budget in order to preserve its independence from the other branches.

Section 4. Commitments Regarding Electoral Processes and Parliamentarian Cooperation.

Each of the sides acknowledges, before the other Central American states, the commitment made in the eyes of its own people to guarantee the preservation of domestic peace as its contribution toward regional peace.

To this end, each side resolves to:

14. Adopt the measures to guarantee, under equal conditions, political parties' participation in electoral processes and ensure these parties' access to mass media. Each side will also ensure freedom of meeting and freedom of expression for the parties.

15. Implement these measures:

1) To promulgate or revise the electoral regulations so that they can guarantee an effective participation by the people.

2) To set up independent electoral organs that will draft a reliable electoral listing and ensure the process' impartiality and democratic nature.

3) To dictate or update, as necessary, the provisions to guarantee the existence and participation of political parties that represent the various trends of opinion.

4) To establish an electoral schedule and take the measures to make sure that the political parties will participate under equal conditions.

The sides also pledge to propose the following to their respective legislative organs:

1) To meet regularly in alternate sites to exchange experiences, contribute to detente, and foster better communication for a rapprochement among the area countries.

2) To take measures to maintain relations with the Latin American Parliament and its working commissions.

3) To exchange information and experiences in matters of their competence and collect, for a comparative study, electoral regulations from each country, as well as related provisions.

4) To attend, as observers, the various stages of the electoral processes in the region. For this, the express invitation of the state holding the elections will be indispensable.

5) To hold technical meetings on a fixed schedule at the place and according to the agenda agreed upon by consenses during each preceding meeting.

Chapter III

COMMITMENTS ON SECURITY MATTERS

In accordance with their duties under international law and in order to establish the foundations for an effective and lasting peace, the sides make commitments in security matters related to banning international military exercises; stopping the arms race; dismantling bases, schools, or other foreign military facilities; withdrawing foreign military advisers and other foreign people who participate in military or security activities; banning arms trafficking; suspending support for unconventional forces; refraining from fostering or supporting acts of terrorism, subversion, and sabotage; and, finally, establishing a regional system of direct communication.

For such purposes, the sides pledge to execute the following specific actions:

Section 1. Commitments in matters of military exercises.

16. Regarding the execution of national military exercises, to heed the following provisions, effective as of the date on which this act comes into force:

a) In the case that national military exercises are held less than 30 km from the territory of another state, the proper prior notification to the other member states and the Verification and Control Commission should be made 30 days in advance, as provided for by Part II of this act.

b) The notification should include the following information:

1. Name of the exercise.

2. Purpose.

3. Number of men, units, and forces that participate.

4. Areas where the exercise is planned to be held.

5. Program and schedule.

6. Equipment and armament to be used.

c) An invitation should be extended to observers from the bordering member states.

17. To abide by the following provisions regarding the carrying out of international maneuvers:

1) For a period of 90 days from the moment the act goes into effect, international military maneuvers implying the presence of armed forces from states other than those of the Central American area will be suspended.

2) After 90 days, with basis on mutual agreements and taking into consideration the recommendations of the Verification and Control Commission, the parties can extend that suspension until the top arms and military troops limit is reached according to what is established in paragraph 19 of this chapter. In the event there is no agreement on extending the suspension, international military maneuvers will be subjected, during that period, to the following regulations.

a) It must be assured that they will not have an intimidatory purpose against any Central American or any other state.

b) Any such maneuver must be reported to the Central American states and to the Verification and Control Commission at least 30 days in advance, as Part II of this act establishes. The notification must contain the following information:

1. Name [of the maneuver]

2. Purpose

3. Participating states

4. Troops, units, and forces participating

5. Area where the maneuver will take place.

6. Program and program schedule

7. Equipment and arms to be used

c) The maneuvers will not take place less than 50 km from the territory of a state not participating in them, unless there is expressed consent from that state.

d) The maneuvers must be limited to one per year and their duration must not be over 15 days.

e) The total number of troops participating in the maneuvers must be limited to 3,000. Under no circumstances can the number of troops from other states be larger than that of national troops participating in the maneuvers.

f) Observers from the Central American states should be invited.

g) If a Central American state considers that any of the above dispositions has been violated, it can appeal to the Verification and Control Commission.

3) Once the top arms and military troops limit established in Paragraph 19 of this chapter is reached, military maneuvers implying the participation of states from outside the Central American region are prohibited.

4) International maneuvers carried out with the exclusive participation of Central American states in their respective territories will abide by the following provisions the moment this Act goes into effect:

a) The participant states must notify the Central American states and the Verification and Control Commission about the maneuvers, in line with what is established in Part II of this act, at least 45 days in advance. The notification must contain the following information:

1. Name [of the maneuvers]

2. Purpose

3. Participating states

4. Troops, units, and forces participating

5. Area where the maneuver will take place

6. Schedule of program

7. Equipment and arms to be used

b) The maneuvers will not take place less than 40 km from the territory of a state not participating in them, unless there is expressed consent from that state.

c) Maneuvers can last a total of 30 days a year. In the event that several maneuvers are to take place in 1 year, the duration of each maneuver will not be greater than 15 days.

d) The total number of troops participating in the maneuvers must be limited to 4,000.

e) Observers from the Central American states should be invited.

f) If a Central American state considers that any of the above stipulations has been violated, it can appeal to the Verification and Control Commission.

5) International military maneuver commitments will be regulated by what is established in Paragraph 19 of this chapter.

Section 2. COMMITMENTS ON THE SUBJECT OF ARMS AND MILITARY TROOPS

18. To stop the arms race in all its manifestations and to initiate, immediately, negotiations aimed at establishing limits on arms and on armed troops, and at their control and reduction in order to establish a reasonable balance of power in the area.

19. On the basis of this the parties agree on the following implementation phases:

First Phase

a) The parties agree to suspend, from the date the act goes into effect, all purchases of military equipment, except replacements, ammunition, and spare parts needed to keep already existing equipment functional. They also agree not to increase the number of their military troops until military development limits are established within the deadline set for the second phase.

b) The parties agree to simultaneously deliver to the Verification and Control Commission their respective current inventories on arms, military installations, and armed troops, 15 days after this act goes into effect.

The inventories will be prepared in line with the basic concepts listed in the annex of this act and with the definitions that appear there.

c) Within 60 days after the act goes into effect, the Verification and Control Commission will conclude its technical study and will suggest to the Central American states, without detriment to negotiations that could have been initiated, what could be the top limit of their miltiary development on the basis of the basic concepts established on paragraph no 20 of this section, as well as what could be the schedules for the respective reductions and dismantlings.

Second Phase

Sixty days after this document is implemented, the sides will establish within the following 30 days:

a) The maximum limits on the different types of weapons classified in the appendix of this document, and the dates of their reduction.

b) The maximum limits on the number of troops and military installations that each side can have, and the dates for their reduction or dismantling.

c) If within this period of time the sides do not reach an agreement regarding the maximum limits and dates in question, the maximum limits and dates suggested by the Verification and Control Commission in their technical studies will be temporarily implemented with the prior consent of the sides. The sides will mutually agree on a new deadline for the negotiation and establishment of the limits in question.

If an agreement on the maximum limits is not reached, the execution of the agreements regarding international military maneuvers, foreign bases and military installations, and foreign military advisers -- for which deadlines have been established in the document -- will be suspended except in cases in which the sides decide against suspension.

The maximum limits referred to in sections a), b), and c), as well as the dates, will be considered part of this document and will have the same obligatory juridical effects of this document, as of the day after the expiration of the 30 days established for the second phase, or the day after being established through an agreement between the sides.

The maximum limits agreed upon must be achieved within 180 days after the implementation of the present document, or within the deadline established by the sides, unless the sides establish an agreement to the contrary based upon section c).

20. In order to satisfy the need for peace, stability, security, and social and economic development in the countries of the region, and in order to establish the maximum limits of military development in the Central American states, and military control and reduction, the sides will agree on a Factorization Table that will consider the following basic criteria, in which all weapons will be controlled or reduced:

1) Each Central American country's security needs and defense capabilities.

2) Territorial extension and population.

3) Extension and characteristics of their borders.

4) Military budget in regard to public expenditures and a comparison with other social indicators.

6. Military technology, relative combat capability, military troops, quality and quantity of the installations and military resources.

7. Weapons subject to control; weapons subject to reduction.

8) The military presence and the presence of foreign advisers in each Central American state.

21. Not to introduce new weapons systems that would qualitatively and quantitatively modify the current war materiel inventories.

22. Not to introduce, possess, or use lethal chemical, biological, radiological, or other weapons that could be considered excessively damaging or of indiscriminate effects.

23. Not to allow the transit, stationing, mobilization or any other form of use of territories by foreign armed forces whose actions could be a threat to the independence, sovereignty, and territorial integrity of any Central American state.

24. To initiate the constitutional processes so that in case it has not been done already, the sides can sign, ratify, or adhere to treaties and other international agreements regarding disarmament.

SECTION 3. Commitments Regarding Foreign Military Bases

25. To eliminate the foreign military bases, schools, or installations in their respective territories, as established in points 11, 12, and 13 of the appendix within 180 days as of the signing of this document. For this purpose, the sides are obliged to simultaneously turn over to the Verification and Control Commission lists of these foreign bases, schools, or installations within 15 days of the signing of this document, which will be prepared in accordance with the criteria established in the appendix numerals in question.

26. Not to authorize in their respective territories, the establishment of foreign military bases, schools, or other installations.

SECTION 4. Commitments Regarding Foreign Military Advisers

27. To give the Verification and Control Commission a list of the foreign military advisers and other foreign individuals participating in military, paramilitary, and security activities in their territory within a period no greater than 15 days as of the signing of the present document. In preparing the list, the definitions stated in point 14 of the appendix will be taken into account.

28. To have the foreign military advisers and other foreign elements capable of participating in military, paramilitary, and security activities withdraw within a period no greater than 180 days as of the signing of the present document, and in accordance with the studies and recommendations made by the Verification and Control Commission.

29. Regarding the advisers who are performing technical functions installing or providing maintenance to military equipment, a roster [registro de control] will be maintained based on the terms established in the respective agreements or pacts. Based on this roster, the Verification and Control Commission will propose to the parties a reasonable number for this sort of adviser, within the deadline established above in point 27. The limits agreed on will be an integral part of this Document.

SECTION 5. Commitments regarding arms trafficking

30. To eliminate the illegal trafficking of arms, as defined in point 15 of the Annex, destined for persons, organizations, unconventional forces, or armed groups that seek to destabilize the governments of the signing states.

31. To establish toward that goal mechanisms of control at airports, landing strips, ports, terminals, border points, land, air, sea, or river routes, or at any other point or area that may be used for drug trafficking.

32. To present to the Verification and Control Commission charges of violations on this aspect based on suppositions or on proven facts which provide sufficient elements of judgment so as to allow the commission to conduct the necessary investigations and present the conclusions and recommendations it may deem appropriate.

SECTION 6. Commitments regarding banning support to unconventional forces

33. To refrain from providing political, military, financial, or any other kind of support to individuals, groups, unconventional forces, or armed groups that advocate the ousting or destabilization of other governments. Likewise, to prevent through all available means the use of their territory to attack or organize attacks, acts of sabotage, kidnappings, or other criminal actions in another state.

34. To maintain a strict watch on their respective borders to prevent their territories from being used to conduct any armed action against a neighboring state.

35. To deny the use of or dismantle installations means, and facilities for logistical and operational support in their territories, whenever these are used for actions against neighboring governments.

36. To disarm and to remove from the border zone any unconventional group or force that may have been held responsible for actions against a neighboring state. Once these unconventional forces have been disbanded, to proceed to relocate or return them to their respective countries, in accordance with the terms which the governments involved may establish. This will be achieved with the financial and logistical support of international organizations and governments interested in peace in Central America.

37. To present to the Verification and Control Commission charges of violations on this aspect based on suppositions or on proven facts which provide sufficient elements of judgement so as to allow the Commission to conduct the necessary investigations and present the conclusions and recommendations it may deem appropriate.

SECTION 7. Commitments regarding terrorism, subversion, or sabotage

38. To refrain from lending political, military, financial, or any other kind of support for subversive, terrorist, or sabotage activities aimed at destabilizing or ousting governments in the region.

39. To refrain from organizing, promoting, or participating in acts of terrorism, subversion, or sabotage in another state, or from allowing actions aimed at perpetrating these criminal actions to be organized within their territories.

40. To abide by the following international treaties and conventions:

a) The 1970 Convention for the Suppression of Unlawful Seizure of Aircraft.

b) The 1971 Convention to Prevent and Sanction Acts of Terrorism in the Form of Crimes Against Persons and Extortion or Related Crimes When These Crimes Are of International Significance.

c) The 1971 Convention for the Suppression of Unlawful Acts Against the Safety of Civil Aviation.

d) The 1970 International Convention Against the Taking of Hostages.

41. To take the constitutional steps so that, in the event that they have not done so already, they can sign, ratify, or abide by the international treaties and agreements mentioned in the previous paragraph.

42. To prevent terrorists groups or organizations from planning and implementing criminal acts against other states or nationals of those states in their respective territories. With this purpose in mind, they will increase the cooperation among police and immigration agencies, as well as the pertinent civilian authorities.

43. To report any violations related to this matter based on presumptions or proven facts to the Verification and Control Commission with sufficient detail to carry out the necessary investigation and present the conclusions and recommendations that are deemed advisable.

SECTION 8. Commitments concerning direct communications systems.

44. To establish a regional communications system that would guarantee a quick link between the pertinent governmental, civilian, and immigration authorities and the Verification and Control Commission in order to prevent incidents.

45. To establish joint security commissions to prevent incidents and solve controversies among neighboring states.

CHAPTER IV

COMMITMENTS ON ECONOMIC AND SOCIAL MATTERS

Section 1. Commitments on economic and social matters.

In order to strengthen the Central American economic integration process and the institutions that constitute and support it, the parties promise:

46. To reactivate, improve, and reorganize the process for economic integration in Central America in order to bring it in line with the various forms of political, economic, and social organizations of the countries of the area.

47. To back Resolution No 1-84 of the 30th Meeting of ministers in charge of the Central American Economic Integration of 27 July 1984 aimed at restoring the institutionality of the Central American integration process.

48. To support and promote the implementation of agreements aimed at strengthening trade among Central American Countries within the law and the spirit of integration.

49. Not to adopt or support coercive or discriminating measures that would hurt the economy of any of the Central American countries.

50. To adopt measures aimed at strengthening the area's financial organizations including the Central American Bank of Economic Integration, by supporting its negotiations to obtain resources and accomplish the diversification of its operations preserving the decision-making power and the interests of all the Central American countries.

51. To strengthen multilateral payment mechanisms within the CACM fund and to reactivate those that exist within the Central American Clearing House. To support these organizations, the Central American nations can resort to available international assistance.

52. To begin sectorial cooperation projects in areas such as energy production and distribution systems, a regional system to guarantee food, a plan to supply the urgent health needs of Central America and Panama, and other systems that contribute to the Central American economic integration.

53. To jointly study the Central American foreign debt problem based on an evaluation that takes into consideration the internal causes of each country, their payment capacity, the critical economic situation in the area, and the flow of additional resources needed to take care of economic and social development.

54. To support the process to draft and subsequently implement a new Central American tariff and customs system.

55. To adopt joint measures to defend and promote their exports, implementing, as much as possible, the processes to transform market, and transport their products.

56. To adopt the necessary measures to give legal status to the Central American Monetary Council.

57. To support the efforts that Cadesca [Action Committee for the Economic and Social Development of Central America], in coordination with subregional organizations, may make to obtain additional financial resources from the international community for the economic reactivation of Central America.

58. To apply international labor regulations and improve their internal labor regulations with ILO help, especially those regulations that help in the reconstruction of the Central American societies and economies. In addition, to implement, with ILO help, programs for the creation of jobs, the training of workers, and the application of the right technology that will result in a greater use of the labor and natural resources of each country.

59. To call for the support of the Pan American Health Organization and UNICEF, as well as that of other development agencies and the international financial community in order to finance the Plan of Urgent Health Needs of Central America and Panama approved by the Central American health ministers in San Jose on 16 March 1984.

Section 2. Commitments on the Subject of Refugees

The parties commit themselves to conduct the necessary efforts in order to:

60. Proceed with, if not already done, the constitutional procedures to adhere to the 1951 Convention on the Status of Refugees and the 1967 Protocol.

61. Adopt the terminology established in the Convention and Protocol mentioned in the above paragraph, in order to make a difference between refugees and other types of immigrants.

62. Establish, with the adherence to documents, the necessary domestic mechanisms in order to apply the regulations outlined in the Convention and Protocol mentioned in No 57.

63. Establish mechanisms for consultations among the Central American countries with representatives of the government offices responsible for handling the refugee problems in each State.

64. Support the work carried out by the UN High Commissioner for Refugees (UNHCR) in Central America, and to establish direct mechanisms of coordination to facilitate compliance with its mandate.

65. Ensure that the repatriation of refugees is carried out on a voluntary basis, upon individual request, and with the collaboration of the UNHCR.

66. Establish three-party commissions made up of representatives from the country of origin, the receiving country, and the UNHCR in order to facilitate the repatriation of refuguees.

67. Strengthen the programs for the protection and asistance to refugees, particularly in the areas of health, education, work, and security.

68. Establish programs and projects to make the refugees self-sufficient.

69. Train the government officials who are responsible in each state for the protection of and assistance to refugees, with the collaboration of the UNHCR or other international organizations.

70. Request from the international community immediate aid for the Central American refugees, both directly, through bilateral and multilateral agreements, as well as through the UNHCR and other organizations and agencies.

71. Detect, with the UNHCR's collaboration, other countries that could possibly receive Central American refugees. In no case will a refugee be transferred to a third country against his will.

72. Encourage the countries in the area to conduct the necessary efforts in order to eradicate the causes of the refugee problem.

73. Guarantee that once the basis for the voluntary and individual repatriation is agreed on with full guarantee for the refugees, the receiving countries will allow official delegations from the countries of origin to visit the refugee camps accompanied by representatives of the UNHCR and of the receiving country.

74. Facilitate the procedures at the receiving countries for the departure of the refugees in cases of voluntary and individual repatriation, in coordination with the UNHCR.

75. Establish the pertinent measures at the receiving countries in order to prevent the participation of refugees in activities against their country of origin, respecting at all times the refugees' human rights.

76. To consider as displaced persons all those who have been forced to leave their usual residence, their belongings and working means as a result of the prevailing conflicts, and have had to move to another place in their own country seeking protection and personal security, as well as help in order to satisfy their basic needs.

77. Act in a coordinated manner before the international community, upon request from an interested party, in order to obtain the necessary cooperation for the programs carried out by each Central American country on the subject of refugees.

PHASE II

IMPLEMENTATION AND FOLLOW UP COMMITMENTS

1. The foreign ministers of the Central American states will adopt instructions, reports, and recommendations as outlined in the mechanisms for the implementation and follow up described in this Phase II and will make the pertinent decisions by consensus and without delay in order to ensure full compliance with the commitments acquired through the act. As applied to this act, consensus means the absence of any expressed opposition that may constitute an obstacle for the adoption of a decision under consideration in which all the parties involved participate. Any controversy will be subject to the procedures outlined in this act.

2. In order to ensure the implementation and follow up of the commitments included in this act, the parties agree to create the following mechanisms:

A. Ad hoc Committee for the Evaluation and Follow Up of the Commitments Concerning Policy, Refugees, and Displaced People;

B. Verification and Control Commission on the Subject of Security; and

C. Ad hoc Committee for the Evaluation and Follow Up of the Economic and Social Commitments.

3. The mechanisms established in the act will have the following makeup, structures, and functions:

A. Ad hoc Committee for the Evaluation and Follow Up of Commitments Concerning Policy, Refugees, and Displaced People.

a) Integration

The committee will be made up of five (5) personalities of well-known competence and impartiality, proposed by the Contadora Group and accepted by common agreement by the Parties involved. The members of the committee must not be citizens from the countries involved. The committee will have a Technical and Administrative Secretary, which will guarantee its permanent operation.

b) Functions

The committee will analyze the annual reports to be submitted by the parties involved concerning the way in which they will implement the commitments on the subjects of national reconciliation, human rights, electoral processes, and refugees.

In addition, the committee will receive reports from organizations or individuals who wish to contribute with useful information to ensure compliance with its mandates.

The committee will gather the information it considers pertinent; to that effect, the party mentioned in the report will allow members of the committee to enter in its territory and will give them all the necessary facilities.

The committee will prepare an annual report and as many special reports it considers necessary on the compliance of the commitments, including the pertinent conclusions and recommendations, as warranted.

The committee will submit its reports to the parties involved and to the Contadora Group governments. At the conclusion of the deadline established in the regulations for the committee to receive observations from the countries involved, the committee will prepare the final reports which will be made public, unless the committee itself decides the contrary.

c) Internal Regulations

The committee will draft its own internal regulations which will be made known to the parties involved.

d) Installation

The committee will be installed with the implementation of the act.

B. Verification and Control Commission on Security Matters

a) Membership

The commission will be made up of four members, representatives from four states with well-known reputations for being unbiased and with a genuine interest to help solve the Central American crisis. They will be proposed by the Contadora Group and accepted by all the parties.

A Latin American executive secretary with technical and administrative duties, proposed by the Contadora Group and accepted by the common agreement of all the parties, will guarantee the permanent operation of the Commission.

b) Operation

To fulfill its duties, The Commission will have an International Team of Inspectors, supplied by the states that make up the Commission and coordinated by an operations director.

The International Team of Inspectors will fulfill duties established by the Commission, with any changes it may indicate or establish in its internal regulations.

The International Team of Inspectors will have all the human and material resources that the Commission may decide to assign to it in order to guarantee that the security commitments are strictly fulfilled. Its actions will be expeditious and thorough.

The parties promise to fully cooperate with the Commission so that it can fulfill its duty.

The Commission will have a Consultative Committee to help the commission do its job better. This Committee will include a representative from each Central American state and their duties will be the following:

1. To serve as a link between the Verification and Control Commission and the parties.

2. To help in the fulfillment of the duties assigned to the Verification and Control Commission.

3. To help, at the request of the Commission, resolve incidents and controversies quickly.

- The commission may invite one representative from the UN secretary general and one from the OAS, as observers, to its meetings.

- The Commission can establish auxiliary organizations and seek the help of any existing joint security commissions.

c) Duties of the Commission.

The Commission will guarantee that security commitments are fulfilled. To this end, it will:

- verify the compliance of commitments regarding military maneuvers mentioned in this Act.

- confirm that war materiel purchases are suspended and that military troops are not increased in line with what is established in point a) of the First Phase of No. 19 of Chapter III of Part I of this Act.

- simultaneously receive from all the parties the respective inventories on their current weapons, military installations, and armed troops in line with point b) of the First Phase of No. 19 of Chapter III of Part I of this Act.

- conduct technical studies in line with what is stated in point c) of the First Phase of No. 19 of Chapter III of Part I of this Act.

- check that all the parties are staying within the maximum limits that were agreed upon or that are temporarily in effect in regard to the various categories of weapons, military installations, and armed troops. It will also verify that the weapons reduction schedule that were agreed upon or that are temporarily in effect will be kept.

- verify that the purchase of replacements [reposiciones], ammunition, spare parts, and equipment replacements will be compatible with the inventories and registries deliveried by the parties in advance and with the limits and deadlines that were agreed upon or that are temporarily in effect.

- To verify that no new weapons systems capable of qualitatively and quantitatively modifying the current inventories of war material are introduced and no weapons banned in the present document are introduced, held, or used.

- To set up a record of all transactions in weapons by the parties, including donations or transfers of weapons.

- To verify compliance with the commitment undertaken by the parties of initiating and finalizing constitutional arrangements to sign, ratify, or adhere to treaties or other international agreements in matters of disarmament and to follow up on actions aimed at achieving such purpose.

- To receive simultaneously from the parties the listing of foreign bases, schools, and installations of a military nature and to verify that they are dismantled in accordance with the provisions of this document.

- To receive the census of foreign military advisers and other foreign personnel who participate in military and security activities and to make certain that they are withdrawn in accordance with the recommendations of the Verification and Control Commission.

- To verify compliance with this document in matters of arms smuggling and to review all charges in that regard. To do so, the following criteria must be borne in mind:

1. Origin of the arms smuggling: port or airport of shipment of the weapons, ammunition, equipment or other types of military supplies bound for the Central American region.

2. Personnel involved: persons, groups, and organizations that took part in the arrangements for or accomplishment of the arms smuggling, including the participation of governments, their representatives, or intermediaries.

3. Type of armament, ammunition, equipment, and other types of military supplies; type and caliber of weapons; country of manufacture; country of origin; and the quantities of each type of weapon, ammunition, equipment, and other types of military supplies.

4. Extraregional means of transportation: land, maritime, or air means, including nationality.

5. Extraregional transport routes: To define routes used, including stops, or intermediate destination points.

6. Places of storage of weapons, ammunition, equipment, and other types of military supplies.

7. Intraregional traffic areas and routes: description of areas and routes; participation or consent by government or other sectors in the accomplishment of the arms smuggling; frequency of use of these areas or routes.

8. Intraregional means of transportation: determination of means of transportation used, owners of such means, facilities granted by governments, government sectors, and others, and other modes of delivery.

9. Receiving entity or consignee: determination of persons, groups, and organizations to which the smuggled weapons are consigned.

- To verify compliance with the present document with regard to irregular forces and the non-use of [a country's] own territory to carry out destabilization actions against another state as well as to review all charges in that regard. To do so, the following criteria must be borne in mind:

1. Installations, means, bases, camps, or facilities for logistical and operational support to irregular forces, including command centers, radiocommunications centers, and radio stations.

2. Determination of propaganda activities or political, material, economic, or military support of actions against any state in the region.

3. Identification of persons, groups, and government sectors involved in such actions.

- To verify compliance with commitments in matters of terrorism, subversion, and sabotage stipulated in this document.

- The Commission and the States-Parties may ask, whenever they deem it advisable, the Red Cross International Committee for its assistance in resolving the problems of a humanitarian nature that are plaguing the Central American countries.

D) Norms and Procedures

- The commission will receive all properly filed accusations regarding violations of security agreements reached in the present plan; it will report to the parties involved and will begin the investigations of the case.

It will also have the power to carry out, of its own accord the investigations deemed necessary.

- The commission will carry out its investigations by in situ inspection, the gathering of reports, and any other procedure deemed necessary to carry out its functions.

- Without interfering with its special quarterly reports, the commission will file, in the case of a reported violation or the unfulfillment of the agreements of the present plan in matters of security, a report with the recommendations to the parties involved.

- The commission will receive from the parties all facilities and their prompt and full cooperation to achieve an adequate fulfillment of its functions. It will also make sure that all information gathered and received during the investigations is kept confidential.

- The commission will send confidential reports and recommendations to the party states and to the Contadora Group governments. It can make them public when it considers that this will contribute to the fulfillment of the agreements established in the plan.

E) Internal Regulation

- Once appointed, the commission will draft its own internal regulations in consultation with the party states.

F) Duration of the commission members' mandate

- The representatives of the member-states of the commission will be initially appointed for a 2-year period, which can be extended by common agreement among the participant parties and states.

G) Installaton

- The commission will be installed at the moment that the plan is signed.

C. Ad-hoc Committee for the Evaluation and Followup of the Economic and Social Commitments

A) Integration

- Regarding the present plan, the Central American economy ministers meeting will become the ad-hoc committee for the evaluation and of the economic and social commitments.

- The committee will have a technical and adminsitrative secretariat, which will ensure its permanent operation, and whose work will be carried out by the Secretariat of Central American Economic Integration, SIECA.

B) Functions

- The committee will receive annual reports from the parties regarding progress in complying with the agreements on economic and social matters.

- The committee will make a periodic evaluation of the progress made in carrying out the agreements on economic and social matters, making use of the information provided by the parties as well as competent international and regional organizations.

- The committee will submit in its periodic reports proposals for strengthening regional cooperation and promoting development plans, placing special emphasis on the aspects established in the agreements of the plan.

4. Financing of Implementation and Continuation Mechanisms

A) The implementation and continuation mechanisms referred to in Part II of the plan, will be financed by a fund for peace in Central America.

B) The resources for this fund will be obtained from equal contributions from the party-states, and from additional contributions obtained from other states, international organizations, and other sources, which can be sought by the Central American countries with the cooperation of the Contadora Group.

PART III

FINAL PROVISIONS

1. The obligations agreed upon by all sides in this act and its annex are legally binding. Therefore, they are commitments.

2. This act shall be ratified according to constitutional procedures established by all Central American governments. Every government that signs shall present its ratification procedure to the Foreign Ministry of the Republic of Panama.

3. This act shall be in effect 8 days after the date in which the fifth procedure is presented.

4. From the date the act is signed until the date it goes into effect, all sides shall refrain from carrying out actions that could frustrate the object and the purpose of the act, and in addition they shall try in good faith, according to their internal laws, to adopt individual measures that can facilitate the functioning of the mechanisms referred to in Part II.

5. Any dispute regarding the interpretation or the implementation of this act that could not have been settled through the mechanisms established in Part II shall be submitted to the foreign ministers of the sides involved for their consideration and decision, by unanimity.

6. In case the dispute persists, the foreign ministers of the Contadora Group, upon request by any of the sides involved, shall intervene so that they may resolve the dispute. If this opinion does not work, the Contadora Group foreign ministers may suggest another means for the peaceful resolution of the dispute in accordance with Article 33 of the UN Charter and Article 24 of the OAS Charter.

If after 30 days there has been no agreement between the sides regarding the implementation of the suggested procedure, any of them may release the considerations, reports, or recommendations of the implementation and follow-up mechanisms established in Part II of this act regarding the dispute.

7. This act does not allow reservations.

8. The annex and the additional entries I through IV are integral parts of this act.

9. This act shall be in effect for 5 years, and may be extended for 5-year periods except if any of the sides announces 6 months before the 5-year period ends its decision against extension. Six months before the expiration date of each period, the governments of each side and the Contadora Group shall meet at the request of any of the sides to evaluate it and adopt the provisions they consider necessary.

10. This act shall be registered by all sides at the UN Secretary General's Office according to Article 102 of the UN Charter.

The foreign ministers of the Central American governments have hereby signed this act in the Spanish language in six originals one of which shall remain at the Foreign Ministry of the Republic of Panama.

Drawn up in Panama City on 6 June 1986.

The Costa Rican Government, the Guatemalan Government, the Salvadoran Government, the Honduran Government, and the Nicaraguan Government.

Appendix

The sides agree on the following definitions of military terms:

1. Registry: Numerical or graphic information on military, paramilitary, and security troops, as well as on military installations.

2. Inventory: A detailed report on nationally or foreign owned arms and military equipment with as many specifications as possible.

3. Census: Numerical information on foreign military or civilian personnel who function as advisers on defense and/or security issues.

4. Military installation: An establishment or infrastructure that includes airports, garrisons, bases, camps, air and naval installations, or similar installations under military jurisdiction, including their geographical location.

5. Organization and equipment table (TOE): A document that contains the mission, organization, equipment, capabilities, and limitations of a typical military unit at its different levels.

6. Military equipment: national or foreign-owned individual or joint materials used by a military force for subsistence and operations. Weapons are not included.

7. Weapons Classification:

a) By their type:

1. Conventional.
2. Chemical.
3. Biological.
4. Radiological.

b) By their range:

1. Short: portable weapons operated by individuals or teams.
2. Medium: Non-portable support weapons (mortars, shells, and cannons).
3. Long: Rockets and guided missiles, which are broken down as follows:

a. Short-range rockets: Their maximum range is less than 20 km.
b. Long-range rockets: Their range is of 20 km or more.
c. Short-range guided missile: Its maximum range is up to 100 km.
d. Medium-range guided missile: Its range is between 100 km, but less than 500 km.
e. Long-range guided missile: Its range is from 500 km up.

c) By their caliber and weight:

1. Light: 120 mm or less.
2. Medium: more than 120 mm and less than 160.
3. Heavy: more than 160 mm and less than 210 mm.
4. Very heavy: more than 210 mm.

d) By their trajectory:

1. Weapons with flat trajectory fire.
2. Weapons with a curved shot [de tiro curvo]:

a. Mortars
b. Shells
c. Cannons
d. Rockets

e) By their mode of transportation:

1. On foot.
2. Horse drawn.
3. Towed or track equipped.
4. Self-propelled.
5. All of the weapons can be transported by highway, railroad, ship, or air.
6. Those transported by air are classified as follows:
a. Transported by helicopter.
b. Transported by airplane.

8. Characteristics of the different types of airplanes and helicopters that should be considered:

a. Model.
b. Quantity.
c. Crew.
d. Manufacturer.
e. Speed.
f. Capacity.
g. Propulsion system.
h. Armored or not armored.
i. Type of weapons.
j. Radius of action.
k. Navigation system.
l. Communications system.
m. Type of mission it fulfills.

9. Characteristics to be considered in the different types of ships.

a. Type of ship.
b. Shipyard and year of manufacture.
c. Tonnage.
d. Displacement capacity.
e. Draught.
f. Length.
g. Propulsion system.
h. Type of weaponry and firing system.
i. Crew.

10. Services: Logistical and administrative organizations that provide overall support to the military, paramilitary, and security forces.

11. Military education centers: Installations used for the education, instruction, and training of military personnel at the various levels and fields of specialization.

12. Military base: surface, maritime, or air space that houses military installations, personnel, and equipment under a military command. The definition of foreign military base must take into consideration the following factors:

-- Its administration and control.
-- Sources of financing.
-- The percentile ratio of local and foreign personnel.

-- Bilateral agreements.
-- Its location and geographical area.
-- Transfer of part of the territory to another state.
-- Number of troops.

13. Foreign military installations: Those which have been built for use by foreign units in maneuvers, training, or other military purposes, in accordance with bilateral treaties or agreements. Said installations may be of a temporary or permanent nature.

14. Foreign military advisers: The terms military and security adviser will be understood as foreign military or civilian personnel who carry out technical, training, or advisory functions in the following operational areas: tactical, logistical, organizational, and security, in the ground, sea, air, or security forces in the Central American states under agreements with one or several governments.

15. Arms traffic: Arms traffic will be understood as all kinds of transfers by governments, individuals, or regional or extraregional groups of arms for use by irregular forces or armed bands seeking to destabilize governments in the region. This also includes the passage of said traffic through the territory of a third state with or without consent, for said groups in another state.

16. Domestic military maneuvers: Are combat or war exercises or games conducted in times of peace by troops for training purposes. The armed forces of the country participate in these on their own territory and they can include the use of ground, sea, and air units for the purpose of increasing their operational capacity.

17. International military maneuvers: Are all those operations conducted by the armed forces of two or more countries in the territory of one of these countries or in international zones, including ground, sea, and air units, with the purpose of increasing their operational capacity and developing measures of joint coordination.

18. The inventories prepared in each state and separately by each of its service branches, taking into account the troops, arms and ammunition, equipment and installations of the forces that are listed below and in accordance with their particular modes of organization:

a) Security forces:

1. Border guards.
2. Urban and rural guards.
3. Military forces assigned to other ministries.
4. Public security forces.
5. Education and training center.
6. Others.
b) Naval forces:
1. Localization.
2. Kind of base.
3. Number and characteristics of the naval fleet. All kinds of armaments.
4. Defense systems. Kinds of armaments.
5. Communication systems
6. War services and materiel.
7. Air or ground transportation services.
8. Health services.
9. Maintenance services.
10. Quartermaster services.
11. Recruitment and time in service.
12. Education and training center.
13. Others.

c) Air forces:
1. Localization.
2. Airstrip capacity.
3. Number and characteristics of the air fleet. Kind of armaments.
4. Defense systems. Kinds of armaments.
5. Communication systems.
6. War materiel services.
7. Sanitation services.
8. Land transportation services.
9. Training center.
10. Maintenance services.
11. Quartermaster services.
12. Recruitment and time in service.
13. Others.
d) Army Forces:
1. Infantry.
2. Mechanized infantry.
3. Airborne infantry.
4. Cavalry.
5. Artillery.
6. Armored.
7. Communications.
8. Engineers.
9. Special troops.
10. Reconnaissance troops.
11. Sanitation services.
12. Transportation services.
13. War materiel services.
14. Maintenance services.
15. Quartermaster services.
16. Military police.
17. Training center.
18. Accurate information regarding the system of recruitment and time in service should be included in this document.
19. Others.
e) Paramilitary forces.
f) Information requirements for airports; existing airfields:
1. Details on location and category.
2. Location of installations.
3. Dimension of the take-off, taxiing, and maintenance strips.
4. Facilities: Buildings, maintenance installations, fuel supply, navigation aids, communications systems.
g) Information requirements for terminals and ports:
1. Location and general characteristics
2. Main and accessory channels.
3. Breakwaters.
4. Capacity of the terminal.

h) Personnel: In regard to personnel, numerical information on troops on active duty, in the reserves, and in the security forces and paramilitary organizations is required. Likewise, information regarding advisers must include their number, immigration status, specialty, nationality, and time spent in the country, as well as agreements and contracts, depending on the case.

i) Regarding weapons, all types of ammunition, explosives, ammunition for portable weapons, artillery, bombs and torpedoes, rockets, hand and rifle grenades, depth charges, land and sea mines, fuses, mortar grenades and shells, etc., must be included.

j) Regarding national and foreign military installations, hospitals and military first aid centers, naval bases, airports, and landing strips must be included.

19. Reasonable balance of forces: A reasonable balance of forces is the balance that results from summing up the states' military forces, taking into account their needs in order to preserve their sovereignty, political independence, security, and territorial integrity.

ADDITIONAL PROTOCOL NO. I TO THE CONTADORA DOCUMENT FOR PEACE AND COOPERATION IN CENTRAL AMERICA.

The Governments of Colombia, Mexico, Panama, and Venezuela, desiring to continue contributing to the achievement of the goals of peace and cooperation in Central America contained in the Contadora Document for Peace and Cooperation in Central America,

Have agreed:

1. To cooperate with the Central American states in the achievement of the objectives and goals of the document.

2. To lend their support for the establishment and implementation of the mechanisms of execution and follow-up stated in the document.

3. Contribute to the peaceful resolution of the controversies that might stem from the application or interpretation of the act, in accordance with the provisions of Part III of the act.

4. No reservations may be made to this protocol.

5. This protocol shall enter into force for each signatory state on the date of deposit of its respective instrument of ratification, which must be done simultaneously in the general secretariats of the United Nations and the OAS.

6. This protocol will be registered in the UN General Secretariat pursuant to Article 102 of the UN Charter.

In witness whereof the undersigned plenipotentiaries, being duly authorized by their respective governments, have signed this protocol: the government of the Republic of Colombia; the Government of the Republic of Panama; the Government of the United Mexican States, and the Government of the Republic of Venezuela.

ADDITIONAL PROTOCOL II TO THE CONTADORA DOCUMENT FOR PEACE AND COOEPRATION IN CENTRAL AMERICA

The undersigned plenipotentiaries, representatives of states of the American continent, duly authorized by their respective governments,

Convinced that the effective cooperation of the states of the continent is necessary to guarantee the implementation, effectiveness, and viability of the Contadora act for peace and cooperation in Central America,

Have agreed to:

1. Refrain from actions that would frustrate the aim and objective of the act.

2. Cooperate with the Central American states in the attainment of the aim and objective of the act.

3. Give all their support to the fulfillment of the functions of the implementation and follow-up mechanisms established in the act, whenever the parties so demand.

4. No reservations can be made to this protocol.

5. This protocol shall be open for signature of all the states of the American continent.

6. This protocol shall enter into force for each signatory state on the date of deposit of its respective instrument of ratification in the general secretariat of the United Nations or of the OAS.

7. This protocol shall be registered in the General Secretariat of the United Nations in accordance with Article 102 of the UN Charter.

This protocol, whose Spanish, English, French, and Portuguese texts are equally authentic, shall be open for signature in the UN General Secretariat.

ADDITIONAL PROTOCOL III TO THE CONTADORA DOCUMENT FOR PEACE AND COOPERATION IN CENTRAL AMERICA

The undersigned plenipotentiaries, duly authorized by their respective governments,

Convinced that the effective cooperation of the international community is necessary to guarantee the implementation, effectiveness, and viability of the Contadora act for peace and cooperation in Central America,

Have agreed to:

1. Respect the commitments adopted by the Central American governments.

2. Refrain from actions that would frustrate the aim and objective of the act.

3. Cooperate to the extent possible with the Central American states in the economic and social development of the region.

4. No reservations can be made to this protocol.

5. This protocol shall be open for signature of all the states that wish to contribute to peace and cooperation in Central America.

6. This protocol shall enter into force for each signatory state on the date of deposit of the respective instrument of ratification in the UN General Secretariat.

7. This protocol shall be registered in the UN General Secretariat pursuant to Article 102 of the UN Charter.

This protocol, the copies of which in the official languages of the United Nations are all genuine, will be placed for signing at the UN Secretariat General in New York City.

ADDITIONAL PROTOCOL IV TO THE CONTADORA DOCUMENT FOR PEACE AND COOPERATION IN CENTRAL AMERICA

The plenipotentiaries who sign this document invested with full powers from their respective governments.

Convinced that it is necessary to guarantee the fulfillment of the commitments made by the Contadora Document for Peace and Cooperation in Central America.

Have agreed to:

1. Accept the invitation to participate in and cooperate with the establishment and implementation of the mechanisms of execution and followup as stated in the document in the terms agreed upon by the parties through agreements that will be annexed to this protocol.

2. To be fully impartial in implementing the mechanisms of execution and followup.

3 This protocol will be placed for the signature of the states proposed by the Contadora Group and agreed upon by all parties.

4. This protocol will be in effect for each state on the date that the state ratifies this protocol at the UN Secretariat General.

5. This protocol does not allow any exceptions.

6. This protocol will be registered at the UN Secretariat General, in accordance with Article 102 of the Charter of the organization.

This protocol, the copies of which in the official languages of the United Nations are all genuine, will be placed for signature at the UN Secretariat General in New York City.

FINANCE SECRETARY BRODERSOHN LEAVES FOR U.S.

PY181919 Buenos Aires TELAM in Spanish 2250 GMT 17 Jun 86

[Text] Buenos Aires, 17 Jun (TELAM) -- The Economy Ministry has officially reported that Finance Secretary Mario Brodersohn left today for the United States where he will participate in a bankers meeting and meet with the chairman of the committee of creditor banks to Argentina. It was noted that Brodersohn will accompany Foreign Minister Dante Caputo to a luncheon with a group of bankers to be held on 18 June in New York. He will then meet with William Rhodes, chairman of Citibank and of the creditor banks committee, with whom he will discuss the final details for the disbursement of the last installment of $600 million of the deal agreed on in 1985.

For its part, the economy Ministry this afternoon reported that an agreement with the IMF has been reached as a result of the mission that Jose Luis Machinea, the economic policy under secretary, and other Argentine officials made to the United States.

The official note states:

The Economy Ministry hereby informs the public that the Argentine Government has requested the IMF to disburse the last installment of the agreement that is in force. This request is supported by the IMF's general manager, who has recommended that the IMF board approve this disbursement at its meeting on 23 June.

This disbursement, which totals 236.5 million SDRs [special drawing rights], that is, approximately $280 million, will allow us also to obtain the last installment of $600 million of the agreement that was negotiated with the foreign banking sector.

Therefore, the stand-by agreement with the IMF for $1,182,500,000 SDRs will conclude on 30 June while the total disbursment of the loans for $4.2 billion that has been negotiated with the foreign banking sector is also completed. These agreements have allowed us to receive foreign financing of about $5.250 billion over the last 12 months.

BOLIVIAN VICE CONSUL TO ROSARIO FOUND MURDERED

PY181921 Buenos Aires Domestic Service in Spanish 1600 GMT 18 Jun 86

[Text] Police sources have confirmed that the Bolivian Vice Consul in Rosario has been murdered. Vice Consul Andres Sanchez was murdered and thrown alongside the Mitre railroad tracks, near Santa Clara de Buena Vista, a village in Santa Fe Province.

Despite the secrecy of the report, it has been leaked that the corpse, which had received two blows to the head, was found by a farmer who advised the Santa Clara police. Now we will listern to a relay by Viviana Labler from Rosario Radio Nacional.

[Begin relay] Good afternoon. Near the Santa Fe village of Santa Clara de Buena Vista, 3 km north of Santa Fe, a body was found alongside the railroad tracks with documents that identified him as Bolivian diplomat Andres Sanchez, who served in the city of Rosario until recently. [passage indistinct]

MILITARY COURT ORDERED TO HAND OVER CASES

PY181937 Buenos Aires BUENOS AIRES HERALD in English 17 Jun 86 p 9

[Text] (NA) -- The federal Court of Appeals yesterday ordered the Armed Forces Supreme Council to hand over all cases that it is currently investigating concerning alleged human rights abuses committed during the "dirty war." That investigation includes all the cases which are reportedly attributed to the First Army Corps -- Security Zone I -- or which were operationally subordinated to that command, both in the federal Capital and Buenos Aires province.

At the same time, the Appeals Court decided to send back to the Council all the cases that do not belong to its jurisdiction, but which corresponde instead to the La Plata and Bahia Blanca federal appeals courts that have jurisdiction over the Fourth and Fifth Corps, respectively.

While the decision does not technically remove the cases from the lower court, it does in practice and, in effect, leaves aside the proceedings to date of the Council's general prosecutor, which means the controversial Defence Ministry instructions would not be taken into account.

There are an estimated 300 cases of kidnappings, torture, and murder in the city and province now under Council investigation.

The instructions have been the focal point of intense debate regarding the limits of "due obedience," because they tended to absolve lower-ranking officers who held no command at the time the alleged crimes occurred. At the same time, Senate Defence Committee Chairman Antonio Berhongaray (Radical-La Pampa) said that the principle of due obedience "is not an amnesty" and that "all civilian and military justice codes the world over have always determined such responsibility. It is nothing strange," he said.

Early next month the Senate will summon Defence Minister Horacio Juanarena to report on the instructions, it was announced yesterday, but the exact date of the hearing will be decided today by the Upper House Constitutional Affairs Committee. The committee is expected to vote in favour of grilling Jaunarena as requested more than two weeks back by the Justicialist bloc. Committee leader Radical Senator Fernando de La Rua predicted Jaunarena would be called in on July 3.

NUCLEAR COMMISSION WORKERS ON 24-HOUR STRIKE

PY190019 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1335 GMT 18 Jun 86

[Text] Buenos Aires, 18 Jun (NA) -- All workers of the National Atomic Energy Commission [CNEA], headquartered in this capital, are staging a 24-hour stoppage today to demand better salaries and working conditions within the framework of a plan ordered by the labor unions of this sector. This information was disclosed by Roberto Aprile, secretary of the CNEA technicians associations union.

In statements to NOTICIAS ARGENTINAS, Aprile said that "the objective of the second phase of our plan is to reiterate our demand for a 25-percent salary increase across-the-board." He added: "We also demand the immediate adoption of a single system of promotions, the adjustable 82-percent increase that applies to retirement allowances, and seniority payments for technicians and professionals."

The leader expained that "this will be a sit-in strike, because everyone will report to work but will not be doing anything."

In Buenos Aires, the strike has paralyzed the Constituyente and Ezeiza nuclear centers, some 1,500 employees of the CNEA headquarters at 8,200 Libertador Avenue, and four other centers near the CNEA headquarters.

In May, CNEA employees staged partial strikes of 2, 4, 6, and 24 hours posing the same demands.

Aprile remarked that "during the second phase of the plan, a 24-hour stoppage will be staged next week, along with a demonstration at the CNEA headquarters, when we will demand a salary increase and will repudiate a statement by CNEA President Alberto Constantini." Constantini said that those who called for the 17 June stoppage at CNEA rural facilities are "irresponsible."

During a press conference at the Congress building on 17 June, which was attended by CNEA personnel leader Andres Galia, Teodoro Peralta (ATE) [Association of State Workers], and Roberto Filipeto (UPCN) [National Civil Service Personnel Union], Constantini was charge with "trying to impose an authoritarian system that has been wiped out of our country." It was also said that Constantini issued a resolution "banning meetings during working hours." The leaders warned that if the government does not modify the chapter dealing with "nuclear material" in the draft of the amended mining code, Argentina might lose "control over planning and prospecting in its territory and over the decision to exploit or maintain its deposits in reserve."

ALSOGARAY SPEAKS OF IMPENDING LIBERAL MERGER

PY182030 Buenos Aires BUENOS AIRES HERALD in English 17 Jun 86 p 9

[Text] (NA) -- Major liberal political groupings will merge in a single front by the end of this year, according to a statement yesterday by national deputy for the Union for a Democratic Centre (UDC) Alvaro Alsogaray. Alsogaray said that his UCD along with other "liberal forces" would create a joint front "before the end of the year" and would thus be "in a position to become the country's true opposition force."

The UCD deputy and founder told the NOTICIAS ARGENTINAS newsagency that talks "have begun again" between the National Centre Confederation -- (CNC) -- which includes the UCD -- and the Democratic Concentration (CD), a front grouping conservative political lines. He said that the "new prospects for unification have provoked a new enthusiasm in the UCD, to the extent of improving the internal situation" of the party. The idea, according to Alsogaray, is to merge the two groupings "not into a new confederation, but into a single party with a new, combined membership roll."

Alsogaray believes the unification of liberal forces will help to clear up the political map of the country, creating a fourth grouping to compete against the radicals, the Peronists, and the left. But "ours will be the only really different political force," he said, "because we are against statism." The UCD deputy insisted that while "unity is possible before the end of the year, it is absolutely essential if we are going to run strong in 1987." Alsogaray said "up to now the two groups have not held ideological talks, because our positions are so close that the only real discussion is on the practical aspects of unity." He added that "after this stage is concluded," unity talks will be taken up with the liberal-autonomist pact of Corrientes Governor Jose Antionio Romero Feris.

PRESIDENT PAZ SENDS LETTER TO GORBACHEV

PY181455 La Paz La Red Panamericana in Spanish 1130 GMT 18 Jun 86

[Text] Bolivian President Victor Paz Estenssoro sent a letter yesterday to USSR Communist Party General Secretary Mikhail Gorbachev in which he confirms Bolivia's agreement with the efforts to accelerate the disarmament of the world powers, aimed at achieving world peace.

The highlights of the letter stated: I thank you for the letter you sent me via your ambassador to Bolivia, Arkadiy Glukhov, in which you mention the deplorable Chernobyl nuclear plant accident and other issues of international importance. In this regard, I wish to state the following: I agree with the fact that all nations throughout the world, particularly the thermo-nuclear powers, need to prevent a nuclear catastrophe through firm guarantees and all the scientific and technological means available. The deplorable situation caused by the Chernobyl accident should make us seriously consider the risks that even the peaceful use of nuclear power entails, because of the limitations of the human brain regarding the preventive and security measures that must be adopted when handling such dangerous technology.

From the beginning of our administration, we have been persistent and consistant in our action and have invoked all valid arguments to achieve a halt to the arms race and to establish a valid alternative that will go beyond the achievement of an arms balance, since this mean that fear will be the basis for world peace.

As a democratic government that practices complete political pluralism, we have always advocated an international dialogue that will help the powers regain the essential mutual confidence. This in turn will help the entire international community to regain its confidence.

In his letter, President Victor Paz Estenssoro says: Mr General Secretary: We firmly believe that the Bolivian policy that promotes negotiations, the easing of international tensions, and the permanent willingness to hold dialogue and achieve understandings is indispensable to achieve international detente in this nuclear era.

BEDREGAL SAYS SEA OUTLET TALKS 'THIS YEAR'

PY171253 La Paz La Red Panamericana in Spanish 0000 GMT 17 Jun 86

[Text] In a conversation with reporters, Foreign Minister Guillermo Bedregal said that Bolivia hopes to have access to the sea through the corridor that Argentina, Peru, and Bolivia plan to build to join the Atlantic and Pacific Oceans.

[Begin recording] [Bedregal, in progress]...to build, based on the existing highway network, a railway corridor joining the Pacific with the Atlantic. The objective of this corridor will be to promote trade. I believe we can solve 80 percent of the technical problems involved in the project. We must, however, provide new equipment and improve our facilities. We have signed some agreements with Peru on our ferryboat facilities at Lake Titicaca. This is the scope of the project.

[Unidentified reporter] [Words indistinct] a specific solution for the problem stemming from our landlocked situation?

[Bedregal] Well, this project is within the guidelines of our foreign policy. [end recording]

Asked about the possibility of Bolivia and Chile negotiating a sea outlet, the minister said that the situation has not changed and that negotiations with Chile will definitely be held this year. He refused, however, to admit that Chilean officials, including Foreign Minister del Valle and Pinochet himself, have said that the negotiations will only deal with an approach to the sea, ruling out negotiations over a sea outlet. Let us listen to Minister Bedregal.

[Begin recording] [Bedregal] Everything is running smoothly.

[Reporter] It is said in Chile, however, that there isn't much of a predisposition to talk about that issue.

[Bedregal] Who said that?

[Reporter] Mr Minister, the reports datelined Chile....

[Bedregal, interrupting] Yes, but whom do those reports quote?

[Reporter]...say that the sea outlet issue will not be discussed.

[Bedregal] No, that is not true. I have not read that report.

[Reporter] Does that mean that the foreign ministers of the two countries will meet?

[Bedregal] Look, we have already talked about that, we will do that this year. [end recording]

The government seems to be determined to remain optimistic about possible negotiations with Chile over a sea outlet.

PRESIDENT URGES MINERS TO WORK IN AGRICULTURE

PY181935 La Paz La Red Panamericana in Spanish 1700 GMT 18 Jun 86

[Excerpts] President Victor Paz Estenssoro has said that the time to cease tin exploitation has come and that now is the time to dedicate our efforts to the exploitation of a more productive sector, for example the agriculture sector. The president made this statement at Government House this morning during a ceremony in which 60 miners' families of the (Quechisla) company said good-bye to Paz Estenssoro before leaving for Mapiri.

These families will settle the Alto Beni area and begin to participate in the agricultural sector, and thus try to replace mining.

The following is what President Victor Paz Estenssoro said to the 60 families during the ceremony at Government House.

[Begin recording] Your fatherland has experienced many harsh adversities. While experiencing the rigors of an acute economic crisis as a result to the prevailing international economic condition and the lack of a coherent and practical economic policy to be able to overcome the effects of this crisis, we have had to endure two other phenomena that worsened our situation even further. They are the plumetting of tin prices and the fall of oil prices.

The project in which you are involved shows the intelligence and the courage that are characteristic of Bolivian miners.

Instead of persisting and blindly working in the production of a metal that does not have good international prices you have acted intelligently, since each pound of tin that is extracted does not compensate the Bolivian workers for their efforts because it does not have a good price in international markets. Therefore, it is futile to continue working in tin production; it is a blind attitude.

But confronted with this situation you have acted wisely by deciding to work the land. This is a radical change. It is a change that implies many sacrifices, but this only shows your audacity and your courage.

The northern region of Santa Cruz is today settled by prosperous miners who decided to settle these (?deserted) lands. There are Potosi miners settlements in the Bermejo area and in the Tarija area [indistinct]. There are also people from Bolivia's Andean regions settling the [word indistinct] Chaco, Villamonte, and Yacuiba areas. [end recording"].

According to the government, the settlement of these miners of the Alto Beni region is a symbolic gesture, representing the first experience of what may be the migration of miners to other regions.

INFORMATION MINISTER VIEWS COB REFERENDUM

PY180221 La Paz EL DIARIO in Spanish 9 Jun 86 p 4

[Excert] Information Minister Herman Antelo has said that the COB [Bolivian Labor Confederation] is entitled to carry out the consultation scheduled for 25 July but that there are political factors involved. The minister reiterated that any labor, civic, or sports organization can call for a consultation, because it is not against the law.

However, he explained that the consultation that the COB has called is not a referendum, because the Constitution sets forth that only the executive branch is empowered to call a referendum. He said there are political interests involved in the COB call, which seek to discredit the government.

He voiced his doubts about the results of the COB call, because, he said, it is possible that the outcome will be manipulated to favor the political objectives of some COB members. The COB asks its members and civic organizations to answer its call. To this end, the COB has set up an organization to take charge of the consultation.

BRIEFS

INFLATION RATE DROPS -- Finance Minister Juan Careaga has stated that as a result of the latest economic measures, the country has passed the 20th week with a zero inflation rate and that the stabilization of the economy has been strengthened. Careaga explained that interest rates have dropped and that the country has sufficient reserves. For these reasons, the country is experiencing, after a lengthy period, a notable economic improvement. [Summary] [La Paz La Red Panamericana in Spanish 1130 GMT 16 Jun 86 PY]

COCAINE SEIZED IN CHAPARE -- La Paz, 7 Jun (EFE) -- Personnel of the Mobile Units for Rural Areas [Umopar] seized 1,000 kg of cocaine sulphate according to Bolivian authorities today. Umopar personnel prevented the plane carrying the cocaine from taking off from a clandestine landing strip in the Chapare area. The crew members, however, managed to flee. According to Colonel Jaime Barrera Molina, director of the Office for the Control of Dangerous substances, the Umopar members seized 122,910 grams of cocaine base last week in Chapare, Valle Alto, and Cochabamba city. [Summary] [Madrid EFE in Spanish 0144 GMT 8 Jun 86 PY]

ITAMARATY SPOKESMAN DENIES LIBYAN ARMS DEAL

PY190137 Sao Paula FOLHA DE SAO PAULO in Portuguese 18 Jun 86 p 4

[Excerpt] Brasilia -- For the second time this year Itamaraty has broken its own rule of not speaking about arms and denied the $1 billion deal with Libya, which FOLHA DE SAO PAULO reported on 14 June. Itamaraty spokesman Ruy Nogueira stated that Brazil and Libya have not negotiated or signed any contract involving the sale of arms. "No such operation has taken place," he said.

Yesterday afternoon, Ruy Nogueira gave journalists copies of the same communique that they had received on 13 January, denying a report that a Libyan mission had come to Brazil in order to purchase $1 billion worth of military equipment.

CHILE INTERESTED IN WEAPONS, TECHNIQUES

PY182339 Rio de Janeiro O GLOBO in Portuguese 17 Jun 86 P 6

[Text] Brasilia -- Chile is interested not only in buying Brazilian weapons, but also in getting acquainted with the Sao Paulo and Brasilia Military Police Forces in order to apply some of their techniques to the Chilean Police Force. Therefore, Chilean General Victor Cabrera is paying a 2-day official visit to Brazil, at the invitation of the Army Ministry. The Brazilian military consider the visit to be very important, and it expects to increase war materials trade with Chile.

Yesterday morning, Gen Victor Cabrera was received by the Chief of the Army Staff, General Fernanco Valente Pamplona. He also visited the office of the Inspector General of Military Police and toured the Brasilia Military Police facilities. Today, the Chilean general will travel to Sao Paulo, where he will visit the State Military Police.

Although it has not yet been confirmed, Gen Cabrera might visit Sao Jose dos Campos to visit the Brazilian war material industry. Chile is interested in knowing what Brazil has to offer in terms of weapons.

ARGENTINE NAVY STAFF CHIEF RECEIVED WITH HONORS

PY181401 Rio de Janeiro O GLOBO in Portuguese 17 Jun 86 p 7

[Excerpt] Vice Admiral Ramon Antonio Arosa, chief of the Argentine Navy Staff, who has been on an official visit to Brazil since Sunday, 15 June, was welcomed with military honors at 0930 yesterday by Vice Admiral Valbert Lisieux Medeiros de Figueiredo, commander of the 1st Naval District, on the outside patio of the Admiral Tamandare building, the former navy ministry in Rio de Janeiro.

After the protocol visit which he made to Naval Operations Commander Admiral Mario Jorge Da Fonseca Hermes and to Navy Minister Admiral Henrique Saboia in the same building, he visited the Naval Museum on Dom Manoel Street.

SARNEY SENDS MESSAGE TO UN ON SOUTH AFRICA

PY190216 Rio de Janeiro O GLOBO in Portuguese 17 Jun 86 p 6

[Text] Brasilia -- In a message sent to the United Nations, President Jose Sarney yesterday suggested that the international community strengthens "the mechanisms and the intention of the sanctions to be applied to the South African regime" to accelerate the end of apartheid. The text of the message was read at the session marking the international day of solidarity with the people who struggle in South Africa. The message also recalled the 10th anniversary of the Soweto uprising.

Sarney reaffirmed the Brazilian peoples' and government's repudiation of the South Africa and promised to support all decisions that all UN world conferences may adopt this week on sanctions to accelerate the changes. The promotion of peace and justice in that region will always have the strong support of Brazil, Sarney stated.

In this message, Sarney praises the resistance and the capacity of the African people to struggle against "the only political regime that is based on the vilest system of institutionalized racial segregation." The president pointed out that religious, union, cultural and political organizations through alliances are making efforts and sacrifices with great courage and tenacity to create in the near future a new South Africa, a country really pluralist, democratic and free of the nightmare of racism and bloodshed.

Sarney emphasized that "the desire to live under real political peace and in an atmosphere of racial equality is a powerful force." He stated that "the democratic goals now driving the majority of the South African population will certainly be reached." He added: "Apartheid will be erradicated much faster" with the support of the international community.

In conclusion, Sarney said that the Brazilian foreign policy and the belief of our society condemn the system of apartheid, the colonial occupation of Namibia and the destabilizing policies implemented by South Africa against its neighboring countries. Sarney added that the Brazilian people will support all the decisions made during the conference aimed at accelerating changes in the current situation in South Africa.

PRIESTS TO LEAVE FOR CUBA, NICARAGUA 24 JUNE

PY190004 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 18 Jun 86

[Text] International organizations are financing a trip to Cuba and Nicaragua for priests working with settlers. They are going to these countries to see how things are done over there so they can do exactly the same thing in Brazil.

This information comes from CEECA [Executive Center for Evangelization and Catechism] Executive Secretary (Ciso) Lima in Porto Alegre.

The trip will last 34 days and begins on 24 June.

FOREIGN MINISTER DELIVERS SPEECH ON ANTARCTICA

PY131933 Santiago LA TERCERA DE LA HORA in Spanish 10 Jun 86 p 5

[Quotation marks as published]

[Excerpts] At noon on 9 June President Augusto Pinochet attended the solemn opening of the national seminar on Antarctica. The seminar, sponsored by the Special Policies Directorate of the Foreign Ministry, will end on 13 June.

Foreign Minister Jaime del Valle delivered the only speech at the opening session. He started by saying that the Foreign Ministry's only interest in Antarctica is to establish, as precisely and objectively as possible, the real interests of Chile. He said that now, when the eyes of the world are focused more attentively on what occurs in those frozen regions, it is the right time to examine the work that the country is carrying out in Antarctica, and to consider the possibility of changing present strategies to strengthen our interests in the area."

Del Valle said that it should be that the goal of the country is to consolidate, expand, and intensify the national presence in the Chilean Antarctic. He also said that the advantage of proximity must compensate for the disadvantage of not having the necessary resources. "Right now, the government is engaged in analyzing budget adjustments to facilitate this work."

DEL VALLE GOES TO ROME TO ARRANGE POPE'S VISIT

PY150333 Paris AFP in Spanish 0310 GMT 16 Jun 86

[Text] Santiago, 14 Jun (AFP) -- Foreign Minister Jaime del Valle left today for Rome to discuss with Vatican officials aspects concerning the visit Pope John Paul II will make to Chile in April 1987. The pope will also visit Argentina and Uruguay during this trip.

Bishop Jose Tomas Cox, who was appointed by the Chilean Episcopal Conference as coordinator of the pope's visit, will also participate in the Rome talks.

Shortly before departing for the Holy See, Del Valle said the Chilean Government wants to cooperate so that the pope's visit will be the best possible.

CHURCH MACHINE-GUNNED IN ARICA; 1 INJURED

PY182306 Santiago Radio Chilena in Spanish 1700 GMT 18 Jun 86

[Excerpt] Several sectors have conveyed their solidarity to the Christian community of the El Carmen parish, especially to Father Santiago Martchell and Soledad Quiroz Rojas, a young woman who was shot on 16 June when a self-styled Armageddon rightist group cowardly attacked the church.

The attackers, who had their faces covered, arrived in three vehicles. First they threw leaflets insulting the church and then tried to set the church on fire with Molotov cocktails. They also macine-gunned the church while people were working inside; one person, Soledad Quiroz, was injured. The church is located in the outskirts of Arica.

POLICE ENTER UNIVERSITY; 150 STUDENTS ARRESTED

PY182112 Paris AFP in Spanish 1852 GMT 18 Jun 86

[Text] Santiago, 18 June (AFP) -- Student leaders have reported that the Carabineros arrested some 100 students today at the Catholic University's main building, in Santiago. This unprecedented incident in the history of the university occurred on the 3d day of the strike decreed by the Council of Chilean Student Federations (onfech), which has demanded an end to the intervention of the government of General Augusto Pinohcet in the universities.

The student leaders pointed out that the Carabineros unexpectedly arrived at the university, which is located downtown on O'Higgins avenue, in two buses and a police car, while the students were holding a meeting to organize help for the 22,000 victims of the storms that recently hit Chile. According to AFP correspondents, the Carabineros surrounded the students put them into the vehicles, and took them to police headquarters.

More than 150 students were arrested in Santiago on 16 and 17 June, after police and military forces entered the Metropolitan University and the University of Chile.

NEW NEWSPAPER TO BE PUBLISHED NEXT MARCH

PY132054 Santiago Radio Chilena in Spanish 1700 GMT 13 Jun 86

[Excerpt] The government has authorized the publication of the newspaper LA EPOCA as of 11 March 1987. As soon as the decree was made known, reaction was unanimous. There was happiness and hope; at last we will have a new newspaper.

Emilio Filippi, the publisher of HOY magazine and a director of the firm that will publish LA EPOCA, has stated that it will be a newspaper that will help Chile increase its contacts with the world and within Chile itself.

'NEW TECHNIQUE' OF TERRORISM SEEN IN ATTACK

PA181555 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 18 Jun 86

[Text] Bogota -- Yesterday's attack on Government Minister Jaime Castro made evident a new technique of international terrorism. In the opinion of ballistics and explosives experts, an attack like the one made against the government minister had never been reported before. In that attack, sophisticated dynamite devices that fortunately did not explode were used.

The police have confirmed that at the site of the attack they deactivated three powerful dynamite bombs with an explosive range of no less than 50 meters. One of the bombs, the most sophisticated one, had been assembled in a 40-cm long, 4-inch diameter PVC pipe. The pipe was packed with 2 kg of dynamite and an ignition system based on phosphorus. It had an electric detonator.

The innovation, a tactic that the authorities probably did not expect international terrorists to use, is that the powerful bomb was provided with a strong magnet that was probably to be attached to the vehicle being used by the government minister. The bomb also had an electric detonator that would be activated 5 seconds after the phosphorus ignited.

According to a preliminary analysis by the police antiexplosives group, there is apparently a new terrorist trend, and now the so-called car bombs -- which had represented the most sophisticated terrorist technique -- have now been surpassed by the devices used by the M-19 subversive commando that failed in its attack on Minister Castro.

The magnetic cylindrical bomb, as well as the other two -- which also had a special detonator as well as 1 kg of dynamite each -- were deactivated in time at the site where the minister's bodyguards were intercepted [by the terrorists].

Minister Views Attack

PA190201 Bogota Television Service in Spanish 0000 GMT 19 Jun 86

[Statement given by Government Minister Jaime Castro in Bogota -- live]

[Text] Good evening. Recent threats and incidents directed not only against some officials and other people, but also against the government and society in general, show that we are facing risks and challenges that are different from those we usually see. Some guerrilla groups have now become involved in insane activities that are intended to destabilize the political system and to create fear among the people. This is a desperate extremism of which we all can be potential victims, including those who have nothing to do with politics. Yesterday morning a policeman was shot to death. He was not one of my bodyguards. He was only walking through the area. If God had not been with us, the explosives they expected to use would have blown up the homes in the area, and people possibly would have been killed.

We now need to be aware of this new challenge, and we must act with a firm hand and with serenity because we know what our responsibilities are. We must not lose our bearings and we must not fall into their ambush, which is intended to provoke chaos, anarchy, and despair. We must follow our path. That is how we all must answer back. The civilian and military authorities and the national police must operate without abuses; they must act based on the tools that the law puts in their hands.

The civilian population must be cooperative and must be helpful, as the law states. If we are all united, we can do much more than the terrorists, much more, practically everything.

I must also say that I personally have worked for peace, and I have always applied the necessary political formulas. That is how I acted as justice minister in 1973 to obtain the release of several labor union officials who had been sentenced to 400 years in prison by a verbal war cuncil because of a strike. Later, as a presidential adviser, I travelled to Magdalena to meet with the ELN [National Liberatin Army]. As a senator and political leader, at the request of the guerrilla groups, and not because I volunteered to do so, I formed part of the negotiations which resulted in the current peace process. During the last 2 years as government minister, I have been one of the figures in this process. To make it successful, I worked in congress to implement a serious institutional reform, which offers those with a democratic calling, conditions of equality for their participation in public life and for the efficient presentation of their political proposals. This is not the time to mention the statutes that form part of this reform. Suffice it to say that its effectiveness was proven by its presence in the just concluded elections.

My actions in all these cases have been a product of my convictions regarding the advantages of a democratic system, which is an important instrument for the development of any civilized political activity. Moreover, we have always acted within the framework of the Constitution and the law, even in those cases in which we talked to the leaders of the guerrilla organizations in order to make them join the political or civilian life of the country.

At no time did we represent interests different from those of our democratic system, which has specific laws and norms intended to improve our community both economically and socially. Whatever the circumstances, the government will not change its line of conduct. Of course I will not change it, either. Thank you.

AGREEMENT WITH VENEZUALA ON TERRITORIAL VIOLATIONS

PA182014 Bogota EL TIEMPO in Spanish 16 Jun 86 p 12 E

[Text] Admiral Tito Garcia Motta, commander of the national Navy, has disclosed that Venezuela and Colombia have reached an agreement to put an end to territorial violations and to prevent diplomatic incidents over the incursion of fishing boats of the two countries into the other's waters.

The officer announced that after intense talks with Vice Admiral Justo Paster Marques, the navies of the two countries promised to "develop a policy that will facilitate the handling of the violations of sovereignty in both nations."

Garcia Motta explained that an agreement was reached "to prudently handle the isolated incidents and to prevent friction between the two governments." He also indicated that the country's naval surveillance plans are limited by the Navy's insufficient budget. He also said that the Navy command's greatest interest is in "guaranteeing the adequate maintenance and operation of the recently purchase units, the four Corvettes, which are now providing extraordinary service to the country's sovereignty."

He added that "those units are not sufficient to guarantee the adequate control and surveillance of our seas."

Regarding the rumors in political circles tht he is a candidate to the post of defense minister in the next administration, Garcia Mota stated to the Grupo Radial Colombiano:

"I cannot make statements on this subject. The defense minister has been quite clear in this regard. The questions and the answers on this topic are inappropriate because I am not the one who makes decisions."

Regarding the talks with Vice Adm Justo Pastor Marques, commander of the Navy, Adm Garcia Motta said: "We have been talking about the way to handle this, and we are aware that this must be handled very prudently. This is what we are doing. It is obvious that cases of possible violations of the jurisdictional areas might arise, but the two commnders of the Navies have discussed this and are aware of the need to prudently handle the problem."

He admitted that these individual violations that affect the good Colombian-Venezuelan relations are not easy to prevent, and he predicted that they will continue to occur while the awaited agreements are reached through the diplomatic channels of both nations.

The officer explained the problems that the Navy has to exercise full sovereignty over the seas, indicating that:

"It is evident that we do not always have sufficient resources to do a complete job, especially if we bear in mind that Colombia has a very large marine area which encompasses 680,000 square km in the Atlantic and 320,000 square km in the Pacific."

52 KG OF COCAINE, NUMEROUS ARMS SEIZED

PA181522 Bogota EL TIEMPO in Spanish 15 Jun 86 11A

[Text] A 52-kg cocaine shipment bound for the United States was seized yesterday by agents of the Police Directorate of Investigatins in El Dorado airport. Seven people were captured in the operation. Also, vehicles, arms, and ammunition were seized.

The alkaloid shipment was seized when it as about to be put on the Avianca cargo plane which transports flowers to the United States. Once the flower shipment was checked, the authorities found the camouflaged drug. Walter Alfonso Nino, Oscar Delio Espitia Solano, Jose Miguel Villamil Cardenas, Hector augusto Herrera Sanchez, Arturo Montenegro Lizarralde, Jesus Paez Bello, and Hernan Muchos Sanchez were arrested durin this operation.

WOMEN'S SI MEETING ENDS; NEW PRESIDENT ELECTED

PY181655 Lima Panamericana Network in Spanish 0300 GMT 18 Jun 86

[Excerpts] The 13th Conference of the Women's Socialist International ends today, 17 June, just before the opening on 20 June of the World Congress of the Socialist International to be presided over by Willy Brandt. First lady Pilar Nores de Garcia attended the closing session tonight. The agreements made during this conference will be submitted to the SI World Congress which will also be held in Lima.

The 13th Conference ended today with harsh criticism of all forms of repression, inequality, social injustice, the arms race, terrorism -- no matter its origin -- of racism, and economic domination, all of which are topics that create uneasiness in the world, especially where the situation of women is concerned.

When analyzing the situation of the women of the Third World, former Senegal Minister Caroline Diop said that the struggle of African women for their liberation has taught them that there cannot be development while oppression exists. Diop demanded the creation of a new economic, social, and cultural order that may give birth to a fairer world. The African representative said that Latin America was a surprising discover for her: We have learned that we are not poor countries. We simply have not known how to exploit our wealth, but have allowed others to exploit it.

On the other hand, Roberta (Brega) from Italy, the youngest representative in her country's parliament, analyzed the situation of women in the industrialized world. She said that the impact of the new technologies, which are expanding at an incredible pace, are now inspiring a new kind of technological nationalism that increases the imbalance among countries. She concluded by saying that nationalism and neocolonialism belong to the past, and that it is time to treat humanity as a whole.

Swedish delegate Anita Gradin, who is minister of integration and equality between men and women said that the arms race is a madness that can only threatened mankind. She said that military expenses represent more than 5 percent of the world's entire production, and represents more than 25 percent of what is invested in the poor countries, a reality that is really offensive to men and women of the world. The world has to choose between the arms race and development, she concluded.

During the conference Anita Gradin from Sweden was elected the new president.

PRIME MINISTER ALVA VISITS PRC, SIGNS AGREEMENTS

For Chinese reportage on the visit to China by Prime Minister Luis Alva Castro, including his talks with Premier Zhao Ziyang, a banquet speech, and agreements signed, see the Western Hemisphere section of the 18 June China DAILY REPORT and subsequent issues.

RIOTS BREAK OUT IN PRISONS HOLDING TERRORISTS

PY182226 Lima Radio Star in Spanish 1745 GMT 18 Jun 86

[Live Relay by (Orsi) Guevara from Government Palace]

[Text] Good afternoon. I have a report from Government Palace. Interior Minister Abel Salinas stated that the Armed Forces Joint Command is the only competent organization under the state of emergency affecting Lima and Callao to report on the riots by terrorists being held El Fronton, Santa Barbara, and Lurigancho prisons. He made this statement during a press conference held in Government Palace.

[Begin recording] [words indistinct] riots carried out by inmates in El Fronton, Lurigancho and Santa Barbara prisons [words indistinct] to read the following communique:

The government would like to convey to the people the following:

1. Today at 0600 in a coordinated action inmates took over the El Fronton, Lurigancho and Santa Barbara prisons. In El Fronton prison three Republican Guards and six penitentiary policemen were wounded. The inmates also took four penitentiary policemen hostage. The terrorists seized three submachine guns and several light arms. In the Lurigancho prison the riot occurred in the wing where terrorists are held. Two penitentiary policemen were taken hostage. In the Santa Barbara prison the inmates took a woman officer and two penitentiary policemen hostage.

2. The coordinated action in the three prisons is proof of the unrest that exists in the prisons. The government will respond to this situation in a calm manner. Without a doubt the riots are aimed at distorting Peru's image just as an international meeting is being held in Lima.

3. The government would like to convey to the people that it will put into operation the necessary measures to restore order and authority in the prisons. The prisons can not become a territory outside state authority.

4. In addition to the riots in the prisons several policemen were murdered in the streets today and bombs were also placed in some churches. Street disorders were also carried out under the pretext of salary demands, an issue which the government has addressed at great length.

5. The government will re-establish national order. Lima, 18 June 1986.

I would also like to report that this communique is now being delivered to the cardinal primate through the justice minister, to the Supreme Court president through the health minister, and also to leaders of political parties. [passage indistinct] [end recording]

Order Restored

PY190329 Paris AFP in Spanish 0009 GMT 19 Jun 86

[Text] Lima, 18 Jun (AFP) -- The government announced tonight that police forces, under the direction of the Armed Forces Joint Command, are now restoring order in jails by transferring inmates to the Cantogrande prison.

The riots started early on the morning of 18 June in three Lima prisons. It was started by prisoners accused of being terrorists. The riots have apparently ended.

TERRORISTS LEAVE FOUR DEAD, THREE INJURED

PY181615 Lima American Television in Spanish 0415 GMT 18 Jun 86

[Text] An Army second lieutenant, two corporals, and the driver of a military vehicle traveling from Cerro de Pasco to Carmen Chico died yesterday during an attack carried out by alleged terrorists using explosives. According to a report issued by the command of the 2d Military Region, a sergeant and two corporals were also injured. The attack took place yesterday at 2330 in Pucayacu, just outside the area under the state of emergency.

The victims were: Second Lieutenant Mario Chaves, Corporals Carlos Perez Arce and Roberto Mucha Chamorro, as well as driver Raul Cornejo Flores. The names of the injured Army personnel were: Sergeant Hector Guaman Eulogio and Corporals Roberto Anari Miranda and Isidro Martinez Huaroc. The injured military men were treated at the Cerro de Pasco Hospital and then taken to the Central Military Hospital.

LUSINCHI SPEECH TO DOMINICA'S PRIME MINISTER CHARLES

PA181937 Caracas EL NACIONAL in Spanish 11 Jun 86 p D 22

[Excerpt" of speech by President Jaime Lusinchi during an event to honor Dominica's Prime Minister Mary Eugenia Charles on 10 June at the presidential mansion in Caracas]

[Excerpts] Your official visit to Venezuela gives us the opportunity to welcome you in your capacity as head of state of a friendly neighboring country, which we hold in high esteem and solidarity. We shope that during your stay Your Excellency the Prime Minister and the distinguished members of your delegation will feel as comfortable among us as if you were in your own land with the cordiality of old friends who aspire to impress in their relations an everyday, dynamic character, as is appropriate for neighboring countries bound by many common interests.

In addition to our respective diplomatic missions, the Venezuela-Dominica Joint Coordination Commission is an important instrument of mutual cooperation. Its work and activities are a positive contribution and practical means for joint action and solidarity and the spirit of good neighbors because it identifies and organizes concrete actions.

The Venezuelan Government has welcomed the Dominican Government to the international and regional organizations it has joined since its independence with great satisfaction. It supports and cooperates with the subregional organizations of the easter Caribbean. We have worked together for commendable causes in all of these organizations.

More recently, the efforts to expand bilateral undertanding have been intensified both at the regional and bilateral levels as a positive step for the better utilization of the capabilities and factors that can contribute to a long-term plan for cooperation, which, I repeat, is the aim of relations that acknowledge expectations, needs, hopes, and aspirations.

This is an appropriate moment to reaffirm the concepts set forth regarding the extraordinary benefits that can be obtained when countries like our become engaged in South-South cooperation efforts, undertake joint actions to promote the development of each of our countries' potential, and share the advantage of reciprocal cooperation within a balanced scheme of complimentary and international division of labor to ensure adequate levels of participation in national efforts that will benefit all of us.

With the sincerity that characterizes the Venezuelans and in a spirit of Caribbean unity and cooperation, we trust that each day our relations will walk new paths leading to friendship and cooperation to enrich our two nations. These wishes are best conveyed through this decoration of the Great Ribbon of the Order of the Liberator which I am honored to grant you on behalf of the Venezuelan Government, which extends a warm desire for a bountiful and fruitful future for your government and people and for you, Your Excellency the Prime Minister.

DANISH FOREIGN MINISTER MEETS WITH PRESIDENT

PA180421 Caracas Television Service in Spanish 0000 GMT 17 Jun 86

[By Marbella Molina]

[Excerpts] At exactly 1600 today Danish Foreign Minister Uffe Ellemann-Jensen, along with his distinguished retinue, arrived at the Miraflores Presidential Palace accompanied by Foreign Minister Simon Alberto Consalvi. They met with President Lusinchi for approximately 1 and 1/2 hours, following the agenda prepared for this official visit to our country, which for Denmark is one of the nations with which it maintains the most commercial ties in Latin America. At the end of the meeting with the president, the Danish foreign minister said that he was pleased with the talks held with President Lusinchi, to whom he expressed his respect for the role played by Venezuela in the Contadora process and in the United Nations.

Tomorrow Danish Foreign Minister Uffe Ellemann-Jensen will hold meetings at La Vineta Presidential Residence. There he will meet with Arturo Hernandez Grisanti, the Venezuelan minister of energy and mines. Ellemann-Jensen will also meet with representatives of the national parliament, and figures linked to the country's economic sector.

Meets With Consalvi

PA181549 Caracas Television Service in Spanish 1600 GMT 17 Jun 86

[Text] Danish Foreign Minister Uffe Ellemann-Jensen early this morning placed a floral wreath at the tomb of Simon Bolivar in the National Pantheon. At this tine he is in the Foreign Ministry where he is participating in the installation of a mixed commission with Foreign Minister Simon Alberto Consalvi. He will visit the Venezuelan Congress at 1500.

Last night, Foreign Minister Consalvi held a reception for his Danish counterpart in the Foreign Ministry. During the event, which was attended by representatives of the Danish Government, Venezuelan officials, and important figures, Foreign Minister Consalvi emphasized the new prospects for bilateral trade. He stressed the importance of the strengthening of relations and the work of the Danish Government and Foreign Minister Ellemann-Jensen in this regard.

Consalvi then awarded the Danish foreign minister the Grand Cordon of the Order of the Liberator. After expressing thanks for this high award, the Danish foreign minister recalled the history of the friendly and cordial relations between the two countries and he stressed his government's support for Venezuela's peace efforts in the Contadora Group, which seeks detente in the Central American region. The event in the Foreign Ministry concluded with greetings to the Danish foreign minister and his retinue by the distinguished figures attending the reception.

LUSINCHI VISITS DIM, APPOINTS NEW DIRECTOR

PA182212 Caracas Television Service in Spanish 0000 GMT 18 Jun 86

[By Berta Gomez]

[Text] President Jaime Lusinchi has made a courtesy visit to the General Directorate of Military Intelligence, DIM, where he announced that Admiral German Rodriguez Claro will be the new director of this office.

[Begin recording] [Gomez] The President was received at DIM by Defense Minister Andres Brito Martinez and by the Current director of the DIM Division, General Jose Antonio Quijada Sanchez. In a simple ceremony, with the corresponding military honors, Dr Jaime Lusinchi decorated the DIM director with the Francisco de Miranda Order, 3rd class. In a brief speech, Lusinchi noted the positive efforts of this fundamental part of the Armed Forces, as well as the military merits of Gen Quijada Sanchez during his service. The president of the Republic said that today, intelligence work is very important in decision-making and in designing strategic and tactical plans.

[Lusinchi] We are living in a particularly complex world in which developing countries like ours, in order to excercise and guarantee their sovereignty amidst a tremendous struggle for power, must maintain the highest possible capabilities in all fields and must safeguard their economy, culture, national characteristics and the efficiency of their armed forces. As part of this scheme, the DIM has carried out a fundamental task.

[Gomez] President Lusinchi also announced that there are current plans to provide better facilities to the DIM, in accordance with its needs. [end recording]

SOCIALIST INTERNATIONAL PRESIDENT BRANDT ARRIVES

PA182245 Madrid EFE in Spanish 2029 GMT 18 Jun 86

[Excerpts] Caracas, 18 Jun (EFE) -- Willy Brandt, Socialist International president and former FRC foreign minister, today condemned in Caracas a possible U.S. invasion of Nicaragua.

The German politician, who arrived in Caracas last night, also condemned the "Soviet invasion of Afghanistan" and advocated an analysis of the USSR proposals for arms control. During a press conference that Brandt and former Venezuelan President Carlos Andres Perez gave today prior to Brandt's departure for Lima, the latter stressed the organization's support fot the Contadora Group's peace efforts.

In Lima, the former FRG foreign minister will meet with Peruvian President Alan Garcia and will preside over the Socialist International congress, which will begin on 22 June. Brandt said that because he is a European who has just arrived in Latin America, he thinks it would indicate "arrogance" to comment in depth on the Central American problems before listening to his colleagues and friends who are "closer" to the situation.

He said, however, that he is sure the Socialist International will back everything that could help the Contadora process continue and make progress. Nevertheless, Brandt expressed his opinion: "I oppose a U.S. intervention in Nicaragua, just as I oppose the Soviet intervention in Afghanistan."

Regarding armament, Brandt said: "In view of the difficult and serious situation in the world at present," it is necessary to analyze the proposals "made by the other side, instead of trying and analyzing new weapons systems." He stressed that it is worthwhile to consider, carefully and thoroughly, the USSR proposals.

EDEN PASTORA ON U.S. POLICY TOWARD NICARAGUA

PA190001 Madrid EFE in Spanish 2156 GMT 18 Jun 86

[Excerpts] Caracas, 18 Jun (EFE) -- Former Sandinist guerrilla Eden Pastora said today that a U.S. invasion of Nicaragua would be a catastrophe for this Central American nation. The so-called "Commander Zero" made this statement during a press conference in this capital today. He said: "A U.S. invasion is the worst possible thing that could happen to Nicaragua."

Pastora arrived in Venezuela from Costa Rica on Sunday in what has been termed a new stage in his struggle to recover power in Nicaragua.

Pastora said that the U.S. stance on the Central American crisis has been one of deception and that the Reagan government has not really offered the support required by the groups that oppose the Sandinists.

Pastora said: "Unfortunately, the United States has not understood that there is an irreversible revolution going on in Nicaragua. Americans have even tried to turn back history by introducing a countrerrevolutionary political program with a Somozist flavor. The people will not accept this."

Pastora said: The U.S. stance has only facilitated the establishment of communism in Nicaragua. Pastora stressed that he is willing to cooperate with the United States for democracy in Nicaragua, but not for continental power.

Pastora pointed out that the Reagan government has tried to deal with the anti-Sandinist insurgents as if they were "puppets and unworthy beings. We would rather die than be vassals of the Russians or Americans."

PETRICCIOLI SPEAKS AT SWEARING-IN CEREMONY

PA181435 Mexico City XHOF Television Network in Spanish 0300 GMT 18 Jun 86

[Text] President Miguel de la Madrid this afternoon appointed Gustavo Petriccioli as the new secretary of finance and public credit to replace Jesus Silva Herzog. [Government Secretary] Manuel Bartlett Diaz swore in the new secretary at the Treasury Minister.

[Begin recording] [Bartlett] I hereby swear in Gustavo Petriccioli as secretary of finance and public credit. On behalf of he Mexican Government I offer Mr Herzog our best wishes and appreciation for a job well done. The need to strengthen the government team in these difficult times has led the government to appoint as head of this secretariat a man who possesses the various skills needed to fulfill the responsibilities that the president of the republic today bestows upon him.

Mr Petriccioli has devoted the major portion of his professional life to serving this secretariat and the Bank of Mexico, which is closely connected with it. Therefore, his background is a guarantee of his expertise and know-how in this broad field of responsibilities that he assumes today.

[Petriccioli] I am very pleased to return to this secretariat, although in all sincerity I feel as though I never left it. I have always been connected with it through my work in the Treasury Secretariat for close to 38 years. I have spent the best years of my career here, where I have dear friends. I therefore arrive in an environment and institution I respect and love, appreciating the confidence that has been deposited in me.

I alwo want to express my recognition of the work done by my dear friend Jesus Silva Herzog during his tenure as head of this secretariat in these difficult and complex times. He has shown strong patriotism, capacity, and insight in his handling of the affairs of this secretariat. As of today, and with this change, we pledge to continue working for the welfare of Mexico.

[Herzog] This morning I submitted my resignation to the president of the republic. I did this first with utmost and deep appreciation of the honor that holding this position during approximately 4 years and 3 months meant to me. In my letter of resignation I acknowledged the distinction bestowed upon all of us who have served this secretariat and the Mexican Government in general to face up to one of the most complex situatins our country has experienced over the past several decades. [end recording]

FRANCE TO MEDIATE ON FOREIGN DEBT NEGOTIATIONS

F1181524 Mexico City Notimex in Spanish 0450 GMT 18 Jun 86

[Excerpts] Mexico City, 17 Jun (NOTIMEX) -- French Deputy Foreign Minister Didier Bariana today announced that France will be a mediator between Mexico and European creditors to faciliate the restructuring of the Mexican foreign debt.

He added that at this time it is important to show the good friendship existing between Mexico and the Francois Mitterrand government, inasmuch as France will give its full support to negotiations if Mexican authorities make efforts to fulfill their international financial commitments.

Speaking about the talks he held with Foreign Secretary Bernardo Sepulveda Amor, the French official said he was able to learn about Mexico's true economic situation and the measures adopted by the Mexican Government to overcome the crisis.

In conclusion Didier Bariana announced that the Mexican foreign secretary will visit Paris soon. He said this shows the existing good relations between the two countries, but refused to reveal when this visit would take place.

BRIEFS

MAY DRUG STATISTICS -- The Army destroyed 220 hectares of marijuana and 150 hectares of poppy plantations in May, Defense Secretary General Juan Arevalo Cardoqui informed President Miguel de la Madrid today. He said that 162 pressumed drug traffickers were arrested and 260 kg of marijuana, 76 kg of poppy paste, 54 kg of cocaine, and 37 kg of poppy and marijuana seed were seized by the government forces during that same month. [Text] [Mexico City XHDF Television Network in Spanish 0300 GMT 18 Jun 86 PA]

1986 DRUG CONTROL DATA -- Defense Secretary General Juan Arevalo Gardoqui reported during a press conference that so far this year the government drug control operations have caused 381 Army casualties, including 93 deaths. He said tht 25,000 people are involved in the antidrug campaign, during which 13,814 nationals and 72 foreigners have been arrested. He said that 254,654 poppy plants and 130,700 marijuana plants covering 46,300 hectares have been destroyed, that 135 clandestine airstrips have been seized, and that 20,229 firearms, 2,035 kg of cocaine, 10,648 tons of marijuana, 3,840 kg of poppy paste, 91 kg of poppy seeds, 210 kg of marijuana seeds, and 21 spray pumps have been confiscated. He estimated the cost of the drug control drive at more than 65 million pesos per day. The revelations indirectly answered the criticism made by several U.S. lawmakers and interest groups that have attacked Mexico in connection with drug trafficking. [Summary] [Mexico City EXCELSIOR in Spanish 13 Jun 86 pp 4a, 30a PA]

CONTRADICTORY REPORTS ON DESTINATION OF SEIZED WEAPONS

Defense Forces Investigate

PA190039 Panama City Televisora Nacional in Spanish 0000 GMT 19 Jun 86

[Text] The Defense Forces of the Republic of Panama have launched an investigation to determine the final destination of the war matrial seized from the Danish-flag vessel Pia Vesta. The 250-ton cargo of military equipment was loaded at Rostock, GDR, on 2 May and transited the Panama Canal on 2 June, bound for Callao, Peru. However, the cargo ship left Peru's waters. The Peruvian authorities tipped off the Panamanian authorities, who requisitioned [requisaron] the ship when she docked at Balboa port on Saturday.

The crew of the ship, under the command of Johan Christianssen, 47, tried unsuccessfully to dump the cargo at sea. The military equipment seized includes 32 trucks, 3,000 loaded RPG-18 disposable rocked launchers [lanzacohetes desechables cargados] and Soviet-made AK-47 submachine guns. This is the most important arms cargo seized by Panamanian authorties to date.

Presumably' for Shining Path

PA181817 Panama City Circuito RPC Television in Spanish 1730 GMT 18 Jun 86

[Text] The Panamanian Marine and intelligence have confirmed the capture of 32 military trucks, 3,000 machine guns, and rocket launchers, made in Germany and in the USSR, which were being transported in the 400 ton Danish ship Pia Vesta.

This morning, Captain Jorge Correa and Major Luis Carlos Samudio invited the local and international presss to explain the successful operation that concluded with the capture of more than 300 tons of war materiel, which was presumably for the Peruvian Shining Path group.

[Begin recording] [Samudio] [Words indistinct] from the USSR, caliber 62, KF, and RPG rocket launchers.

[Unidentified report] What kind of rolling equipment did you seize, Major?

[Samudio] Thirty-two (Roburifa) vehicles, which you can see in the background.

[Reporter] Port of destination?

[Samudio] According to the bill of lading, the port of destination was Callao. When we captured the ship, the crew was in international waters... [corrects himself] in Panamanian waters, Panamanian jurisdiction. The crew which was captured with our patrol boats was trying to throw the boxes into the sea, because the boxes were loose in storerooms. [sentence as heard] Thus, we had to come on board, request the bill of lading, which only said there was rolling equipment and boxes with spare parts. It said there were 99 boxes of spare parts. When we, together with the customs office personnel, unsealed the boxes, we found to our surprise that there were weapons. Therefore, we immediately captured the ship.

[Reporter] Major Samudio, what has the crew said in the first investigations?

[Samudio] Well, so far, we are investigating. They believe that the load was specifically counted in Rotterdam, and in Rostock, GDR, and they were bound for Callao, Peru. Up to this moment, they are unaware of the facts. They were in a socialist country, and, actually, there were some irregularities in the way the loading was done. [end recording]

For Salvadoran FMLN

PA181640 Panama City STAR AND HERALD in English 18 Jun 86 p 1

[Text] The Pia Vesta, a Danish ship with a cargo of Soviet-made trucks machine-guns, bazookas and munitions was intercepted by the Panama Coast Guard on Saturday. According to information gleaned by this daily, the shipment was destined for El Salvador, to strengthen the guerrillas of the Frente Farabundo Marti National Liberation Front (FMLN).

The Pia Vesta was loaded with arms at the Port of Rostock in the Democratic Republic of Germany, transited the Canal and docked in Peruvian waters, in preparation for its trip to El Salvador. Panama Coast Guard intercepted the ship in the Panama Bay, arresting the captain Christian Johanssen 47, and six crew members. They are being investigated by local authorities.

U.S. AMBASSADOR'S EXPLANATORY NOTE VIEWED

PA181719 Panama City LA PRENSA in Spanish 18 Jun 86 p 1

["As of Today" column]

[Text] The Panamanian Government has released the explanation that the U.S. ambassador has given in connection with the Noriega affair. Although the note eludes the gist of the matter, the fact is that the articles about Noriega published in the U.S. press are based on information provided to prestigious newspapers and television stations of that country by U.S. Government officials. It is surprising, therefore, that the U.S. Government should say that it "does not wish to speculate on the allegations themselves," when that, in fact, is the subject about which Panama requested an explanation. Ambassador Arthur Davis knows very well that the charges that appeared in his country's press originated in official bodies like the State Department. the Pentagon, the CIA, the Drug Enforcement Administration, the Treasury Department, and both civilian and military intelligence services, in addition to sources connected to the U.S. Senate and the lower house. Due to its nature, what has been published could not have come from a single government entity, and it is easy to confirm whether the reporters obtained their information from those sources, as they have stated. The U.S. Government is very diplomatically avoiding a reference to the charges made in connection with specific issues, but in any event, its explanation does not disprove the accusations and thus confirms the seriousness of the charges reported by the U.S. press.

EL SALVADOR

FMLN REPORTS RECENT ACTIONS IN CHALATENANGO

PA182149 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 18 Jun 86

[Text] We now bring you an important report from the Modesto Ramirez Central Front, Chalatenango sector:

At 1600 on 16 June guerrilla units from the Commander Felipe Pena Mendoza Battalion Groups clashed with two companies of the Atmitia Battalion of the 4th Infantry Brigade near Sumpul de Chacones and El Portillo.

The clashes lasted until 0200 on 17 June, when our units forced those two companies to flee in disarray toward Sumpul de Chacones. The puppet Air Force gave support throughout the night to the military units. As a result of this action, we inflicted a total of 15 casualties on the enemy -- 7 were killed and 8 were wounded. We also recovered some knapsacks and 5.56 mm ammunition.

Attention, we have more reports from the Modesto Ramirez Central Front, Guazapa sector. At 0115 on 17 June members of the Carlos Arias Battalion of the FMLN attacked enemy positions of the 1st Infantry Brigade near the vicinity of El Paisnal, in the Loma Alta area. Our units seized control of the situation, only 5 minutes after the action began. As a result of this action, we inflicted 10 casualties on the enemy, including a section chief. We also recovered 1 (?M-60) machine gun, 1 M-79 rocket launcher, as well as a ERP 67 radio, 1,5000 rounds of 5.68 and 5.56 caliber cartridges, 20 loaders, 1 MK-2 hand grenade, [word indistinct] and other war material. We also learned that they destroyed some M-16 rifles.

On our part, we regret the death of Companero Ernesto. This action was combined with the Commander Felipe Pena Mendoza Battalion Groups.

GUATEMALA

ARMY STOPS REBEL OPERATION NEAR MEXICAN BORDER

PA182256 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 18 Jun 86

[Text] A subversive group launched an operation to seize several villages in the area around Tajumulco Volcano in San Marcos but was stopped by the Army. Four extremists and a soldier were killed, and three officers were wounded in the action. The insurgents used fragmentation grenades and other explosives in their operation, but were repelled by government forces, which, according to reports, were still tracking them down tonight. The area in which the confrontation took place is located on the Guatemalan- Mexican border, and it is believed that the subversives are trying to take refuge in that neighboring country.

REBELS ATTACK MUNICIPALITY, SEIZE SUPPLIES

PA182340 Guatemala City PRENSA LIBRE in Spanish 18 Jun 86 p 6

[Text] According to a CERIGUA report sent to our offices, a municipality and several stretches of roads have been occupied by groups of the Rebel Armed Forces (FAR).

Forces of the Feliciano Argueta Front occupied San Francisco municipality and rounded up 2,500 people at the local square to listen to a message from the rebel group. The subversives seized radio sets, ammunition, and other military supplies and destroyed a vehicle belonging to FYDEP (National Enterprise for the Economic Promotion and Development of El Peten). Several days later they occupied stretches of the road to Tical, set up a roadblock, stopped buses, and held a meeting. The report adds that Army trucks carrying soldiers were attacked with rifle fire and inflicted casualties on the troops. The rebels also burned a police checkpoint near Flores.

HONDURAS

AZCONA TO VISIT EL SALVADOR, DOMINICAN REPUBLIC

PA182125 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 18 Jun 86

[By Jose Emilio Soriano]

[Text] President Jose Azcona Hoyo has received two invitations to visit a Central American and a Caribbean nation.

It was learned several hours ago at the Presidency that the president received an official invitation from Salvadoran President Jose Napoleon Duarte to visit San Salvador for 1 day to discuss peace in Central America and the Contadora and Support Groups. They will reportedly also discuss the Honduran-Salvadoran border problem and the problem of the many Salvadoran refugees who have settled on the Honduran side of the common border. The exact date of the 1-day visit will be revealed within the next several hours. Summarizing, the four issues that will be discussed by the Salvadoran and Honduran presidents are: refugees and their problems, the border problem; peace in Central America: and the efforts of the Contadora and Support Groups to achieve peace in Central America.

It was reported at the presidential house that President Azcona has accepted the invitation and will go to El Salvador within the next several days. We will report on the exact date during ur upcoming newscasts.

Meanwhile, the Dominican Liberation Party has also extended an invitation to President Azcona to visit the Dominican Republic to discuss Central American and Caribbean issues, which he has accepted.

President Azcona was recently elected president of the Liberation Federation of Central America and the Caribbean.

GEN LOPEZ REYES LETTER TO U.S. AMBASSADOR

PA182306 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 18 Jun 86

[Text of "public note" sent by General Walter Lopez Reyes to U.S. Ambassador to Honduras John Ferch; date not given]

[Text] Mr Ambassador:

I address you in reference to publications that have appeared in various Honduran media sources, as well as in international newspapers and international dispatches.

Such reports, based on investigations conducted by the U.S. House of Representatives auditing office [as heard] regarding the destination of $14.1 million granted by your government to the Nicaraguan rebels as part of the so-called humanitarian aid, state that part of those funds -- $450,000 -- did not arrive at the planned destination and were delivered to officers of the Honduran Armed Forces. Those reports were followed by a statement by U.S. Congressman Michael Barnes, representative from Maryland, who said that the funds were delivered to the undersigned while he was the commander in chief of the Honduran Armed Forces.

The accusation is slanderous, and I categorically reject it. I also demand a public presentation of the corresponding evidence from whomever made the charges.

In view of this situation, I made a public statement to the Honduran people on 12 June, as I considered it proper to first address the Honduran people -- to whom both I and the Honduran Armed Forces are committed to serve -- to express my honest rejection of such unfounded charges.

Your Excellency, U.S. Ambassador John Arthur Ferch: I feel, Mr. Ambassador, that such arbitrary accusations only reflect the political battle within the United States over legislative positions. It is regrettable that such a dramatic situation as the one shaking Central America in its struggle against totalitarianism should be manipulated according to the personal interests of legislators such as Mr Barnes, who does not seem to care about damaging another person's dignity as long as it helps his sectarian plans. This is even more serious if we consider that Congressman Barnes represents a nation that has waged honorable battles in favor of liberty and justice, and that his fallacy is against an officer and citizen of a country such as Honduras, which maintains links of political affinity and economic cooperation for social development with the United States of America, that in my personal opinion, should be based on mutual respect and a constructive and lasting friendship.

In this respect, I consider it opportune to recall that upon assuming my responsibilities as commander in chief of the Honduran Armed Forces in 1984, I took special interest in eradicating any weaknesses in the relations between our two countries, and replacing it with a dignified position for common benefit. This had to be done because in analyzing the U.S.-Latin American relations objectively, we find somber chapters in which tutelage prevails. However, we also find brilliant pages in favor of preserving democracy as the legitimate expression of our peoples. Good relations between neighbors was and is only possible through the prevalence of ideals and principles that will eliminate unbalanced positions in the various aspects of the collaboration between states.

May we add that we have also admired your government's firmness in defending its citizens at various times in history, but at the same time sanctioning them according to the law when they hurt the national honor or when they harm the relations with other countries with which it has established friendly ties in promoting its economic and political development and strategic security as an essential factor in defending its interests and objectives.

As I told the Honduran people, I have never participated -- as a private citizen or as an Armed Forces officer -- in the political-military plans of the Nicaraguan insurgency. Therefore, it is clearly a rash action on the part of a member of the U.S. House of Representatives to make statements that tarnish the name and honor of foreign officials based on information gathered from a covert political-military project. At no time have I received funds destined for the Nicaraguan insurgents, as it has not been within my purview to have direct or indirect links with the political and military domestic struggle that only concerns the Nicaraguans.

I am addressing you, Mr Ambassador, because you are the diplomatic representative of the country of which Congressman Barnes is a citizen and in which he holds an important government position. I demand from Congressman Barnes a clear and conclusive apology that will leave no doubts about my moral integrity as a citizen and my dignity as a military man. Through this letter I am using the diplomatic channels to demand an urgent rectification of the charges that are harmful to the image of the undersigned, the Armed Forces' honor, and my country's dignity. Therefore, I ask you, as the U.S. diplomatic representative, to convey my position to Congressman Barnes, to the U.S. House of Representatives and to your government, so that an honorable rectification of the discourteous accusations against me will be made as soon as possible.

I have read with great interest the statement made by Secretary of State George Shultz, in which he considered Congressman Barnes' remarks a maneuver resulting from the domestic political strife in the United States, and part of the sectarian battle for legislative positions. I have also learned about the statements made by the White House occupant, and by you to the national press, to the effect that neither the undersigned nor any member of the Honduran Armed Forces is involved in the charges mentioned, which were considered false. I appreciate those remarks; however, they are not to my complete satisfaction. Without any doubt, I believe that they do not satisfy the Honduran people, who know of my clean record.

Therefore, I believe that Congressman Barnes should retract his slanderous charges on behalf of my military honor and his own prestige, and to remove the mud with which he tried to soil the name of Honduras.

I am convinced that judicial recourse is highly respected in your country. I have not made use of it, because I am not seeking material goods through the indemnization I would be entitled to on account of the slander against me. However, I do not discard this possibility as a last recourse if I am not given the apology I have requested, for the exclusive benefit of my personal dignity and moral integrity. I trust that the U.S. Government will clearly reply to my request for a convincing retraction of the rash accusations made by Congressman Barnes against me.

Thank you, Mr Ambassador for your attention to this request.

Respectfully yours,

[Signed] Gen Walter Lopez Reyes

POLL INDICATES REJECTION OF U.S. TROOPS, CONTRAS

PA190318 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 17 Jun 86

[Excerpt] According to a survey conducted by the Honduran National Autonomous University, more than 80 percent of Honduras reject the presence of U.S. troops and anti-Sandinists. Eighty-three percent of those polled consider the U.S. soldiers highly harmful, while 89.5 percent feel the contras violate Honduras' sovereignty and jeopardize its foreign policy. Four percent of Hondurans support the contras because they want to free Nicaragua from communism, while 75 percent said Honduras' foreign policy is determined by the Yankees.

NICARAGUA

CONTADORA DOCUMENT MARKS 'NOTABLE PROGRESS'

PA181751 Managua BARRICADA in Spanish 14 Jun 86 p 3

[Article by Javier Reyes Alba: "The Content of the Panama Declaration"]

[Text] With the presentation of the third draft of the Contadora Document for Peace and Cooperation in Central America on 6 June in Panama City, the foreign ministers of the peace group and its Support Group proposed the basic conditions for the advance of the negotiations.

The content and language of the "Panama Declaration" signed by the eight foreign ministers and the letter accompanying the new document, which needless to say is the result of 3 and 1/2 years of work and revamps the two previous proposals issued in September 1984 and September 1985, are direct, clear, and leave no room for doubt. Contadora put the finger on the sore and took a step forward with a proposal that, although it continues under study by the foreign ministries of the five Central American countries, marks notable progress that, although it continues under study by the foreign ministries of the five Central American countries, marks notable progress in the conciliation of the positions, fundamentally regarding Chapter 3.

The document has three essential parts, two of which have been resolved. The vital point is that of Chapter 3 dealing with regional security, military maneuvers, weapons, and troops. There was a threat of a break in the negotiations because of this aspect. This is why Foreign Minister Miguel D'Escoto stressed the victory represented by the holding of the 6 June meeting with the new proposal and the vitality of the efforts in the face of the prophets of doom who spoke about the collapse of Contadora. The letter accompanying the new document clearly establishes the reasons Contadora cannot die or abandon its responsibilities and consequent efforts.

"We found that alongside some positive signs, there are situations in Central America that forebode an escalation of the conflicts."

The eight foreign ministers of Contadora and its Support Group are clearly aware of the explosive situation of the region, basically due to the threats hanging over Nicaragua. This apparently simple fact makes Contadora state that "essential regional and national security interests obligues not to give up our objective of peace."

There is a truism that is often repeated but which we cannot get tired of stating as long as it persists: The security of Nicaragua and Central America goes beyond the problem of a government and the interests of a people. Contadora adds:

"This situation involves the responsibility of continuing to offer our contribution to resolve the regional crisis, in the awareness of its importance and of the values that are at stake for our entire hemisphere."

This is why Contadora has not died. Too much is at stake for the Latin Americans. To permit the trampling of the sovereignty of one country is the same as having everyone's sovereignty trampled.

The consequences of the Malvinas was a lesson that perhaps was not well learned.

During the 6 June meeting and during the two plenipotentiaries' meetings held earlier, Nicaragua showed its interest in a prompt solution. However, the distrust prevailing among the Central Americans has made it almost impossible to reach practical agreements. Meanwhile, Contadora has approved and even encouraged the decisions reached in Esquipulas.

For Latin Americans to be able to continue the negotiations according to the letter accompanying the new document "represents to them the possibility of implementing a political action which is strictly Latin Americanist." The Latin American countries' reaction to the new document has been varied. Nicaragua should reach a decision in a few days. The other Central American countries, especially Costa Rica and El Salvador, have launched an unexpected campaign in which:

A) Costa Rica and El Salvador have been the first to object to fully accepting the plan.

B) Rodrigo Madrigal Nieto, Costa Rican foreign minister, reported that a new proposal regarding Chapter 3, which deals with matters of security and maneuvers, is being drafted and also a calendar or chronology on political facts. Madrigal Nieto, who could not convince Contadora in Panama to revise and reopen the chapter on policies, with the obvious intention of including the U.S. Government's new policies and altering the pace of the negotiations, insisted on Contadora "becoming a body from which pressure could be exerted against Nicaragua" so as to force it to accept the so-called U.S. dream plan: to submit and share the revolution with U.S. political pawns and parallel to this to proceed to its disarmament. On 16 May, Honduras submitted a proposal for total disarmament in 90 days. Since these two proposals did not work out, Costa Rica is now referring to "incompatibility" of Nicaraguan democracy with that of Costa Rica.

The "democrats" like Major D'Aubuisson, leader of the Nationalist Republican Alliance, ARENA, of El Salvador, and Mario Sandoval Alarcon, leader of the National Liberation Movement, MLN, of Guatemala, must feel very happy. Both are very active pluralist leaders in their respective countries.

The leaders of White Hand [Guatemalan group] and mercenary groups must feel very happy. They just cannot afford to let this opportunity go by, "which, according to the Contadora Group, should be the last draft of the plan," to draft their own despite the lack of prestige they have. That is why they are obstructing the new document with more elaborate proposals and suggestions.

It is interesting to observe their silence regarding what Contadora set forth in the Panama declaration as three fundamental commitments. We are referring to point 8, see the 8 June issue of BARRICADA, page 8, in which three directions are established "to advance in the Contadora process".

A) No country should allow its territory to be used to attack another.

B) No country should become part of military or political alliances that directly or indirectly endanger peace and security in the region.

C) To end the support of rebel or subversive groups -- this clearly refers to the counterrevolutionaries.

Contadora recalls Caraballeda and the 10 points and 9 actions to confront us with the decision to accept serious commitments. it says that three fundamental orders are principles of international law, which they only wish to emphasize and reiterate and which cannot be subjected to situations of force. They add that "their observance will create the climate of confidence necessary to reverse the current warlike trends and to advance firmly toward the area's pacification."

There is great silence about these truths. These are the only conditions about which the United States and its allies have not issued an opinion. On the contrary, the teletypes just continue to bring us reports about Reagan's campaign for his war budget for the mercenaries, Honduras' complaisance with the mercenaries, and the latter's moral defeat along with the millions of dollars that have been lost, etc.

Nicaragua is ready to defend itself. We choose negotiation, but we do not give up our rifles. Let someone take them away from us if they can.

AMBASSADOR TO COLOMBIA VIEWS CONTADORA

PA172114 Managua International Service in Spanish 2300 GMT 16 Jun 86

[Text] Nicaraguan Ambassador to Colombia Francisco Lacayo has said that Nicaragua will not be part of any group that is led by the United States. He also rejected the idea that the Contadora Group had reached the end of its role as a mediator. The statements were made by the Nicaraguan diplomat in Bogota after he presented his credentials to Colombian President Belisario Betancur. Referring to statements made by Salvadoran Foreign Minister Rodolfo Castillo, he stressed that Nicaragua had never considered the pacifying work of Contadora as tutelage, and added that Nicaragua has felt itself enveloped in the Bolivarian spirit and therefore does not understand the Salvadoran diplomat's stance.

PANAMA SEIZES 'CIA VESSEL' WITH ARMS FOR CONTRAS

PA182233 Managua International Service in Spanish 1750 GMT 18 Jun 86

[Text] A CIA vessel carrying weapons for the Somozist mercenaries has been seized by Panamanian authorities [words indistinct]. The ship, which flies a Danish flag, carried 200 tons of war material, which consisted of 2,000 AK rifles, several cannon, rocket launchers, ammunition, and other (?supplies). The ship's captain, Christian E. Johanssen, and seven crewmembers are being detained at the port of Balboa.

A year ago, another CIA-owned Danish-flag ship was detained in Costa Rica [words indistict] for the mercenary forces that the U.S. Government uses in its aggression plans [words indistinct].

NEW SOVIET AMBASSADOR ARRIVES IN MANAGUA

PA181722 Managua BARRICADA in Spanish 17 Jun 86 p 1

[Text] Vayno Iosifovich Vyalyas, the new Soviet ambassador to Nicaragua, arrived in Nicaragua yesterday. Before this appointment, Mr Vyalyas served since 1980 concurrently as ambassador to Venezuela and Trinidad and Tobago. Julio Lopez, chief of the FSLN International Relations Department and Foreign Ministry, met the new ambassador at the airport.

FURTHER ON CONTRA SABOTAGE OF POWER TOWER

PA182239 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 18 Jun 86

[Text] Francisco Mojica, the general operations direction of the Nicaraguan Energy Institute, INE, has reported that due to the explosion of a power tower, which held up high tension cables, some towns in Region 1 will remain without electricity for several days.

[Beging recording] [Unidentified reporter] The electricity problem in region 1 was detected by the INE central system at 1200 today. It was confirmed that one of the towers holding several power lines had been downed.

[Mojica] The damage was caused by a sabotage action against one of the metal towers which held up that power line; thus, at the present time, the power line is out. An INE workers brigade is already working in that area, in order to reestablish the electric service.

[Reporter] Which areas are affected?

[Mojica] Well, all of Region 1 was affected; that is to say, Esteli, and the nearby areas of La Laguna, and Santa Clara. All of Region 1 is affected by the power outage for the time being. However, we are already making efforts to restablish electricity within approximately 3 days, if we do not face any major difficulties. [end recording]

The sabotage took place at the southern end of San Isidro, in the area known as El Ojoche, Region 1.

CASTRO PRESIDES OVER CEREMONY HONORING ATHLETES

FL190124 Havana Television Service in Spanish 0000 GMT 19 Jun 86

[Text] Commander in Chief Fidel Castro, first secretary of our party and president of the Councils of State and Ministers, has presided over the ceremony at which a banner was given to the delegation of athletes that will participate in the 15th Central American and Caribbean Games, which will be held in the Dominican Republic starting 24 June. Our commander in chief gave the banner to Felix Savon, world boxing champion in the 98-kg class. Representing our athletes, Orestes Kindelan read the oath expressing the Cuban athletes' will to fulfill their pledge to our party and people and to those who 20 years ago traveled in the ship Cerro Pelado to participate in the 10th games of Puerto Rico.

FOREIGN MINISTER INTERVIEWED ON RSA SANCTIONS

PA180437 Havana International Service in Spanish 2300 GMT 17 Jun 86

[Telephone interview with Foreign Minister Isidoro Malmierca, who is in Paris, by unidentified reporter on 17 June -- recorded]

[Text] [Reporter] Foreign Minister Isidoro Malmierca, we wanted to establish contact with you by phone to obtain details regarding the international conference on sanctions against South Africa currently under way in Paris. Tell me, Mr Minister, how is the conference going?

[Malmierca] The conference began yesterday. I feel that the opening was characterized by a generalized worldwide feeling regarding the need for the international community to sanction the actions carried out by the racist South African Government against the black majorities in that country, and also for its actions against independent neighboring states. The presence of a large number of delegations headed by foreign ministers or by leaders from the participating states has been the first expression of the importance the international community attaches to this conference.

The statements by the Senegalese president in his role as president of the Organization of African Unity [OAU], the secretary general of the United Nations, who was also present at the opening session, the general director of the UNESCO, and the other representatives of international organizations and from the states that participated in the inaugural session, reiterated the universal condemnation of the South African Government's actions, which at this time are characterized by the repression that it exercises against the South African people.

You know that yesterday and even today the South Africans are commemorating the incidents that took place 10 years ago, the massacre in Soweto.

[Reporter] What measures, in your opinion, could be adopted by the conference against the racist South African regime?

[Malmierca] We feel that the conference, which is the second worldwide conference to sanction the racist South African regime, will reiterate the desire for the United Nations and the OAS Security Council to apply the necessary global, obligatory sanctions against the South African Government. This is the international will, clearly reiterated on this occasion.

I have also expressed in my speeches, and this has happened in several speeches before the plenum of the conference, that on this occasion we must not allow a veto by the United States or the UK -- as has happened in the past -- to prevent the Security Council from implementing its sanctions and condemning South Africa.

Several speakers have said that the U.S. Government has imposed different types of sanctions against other states; the case of the economic blockade of Cuba that has lasted for more than 20 years was recalled, as well as the sanctions imposed by the United States against other countries. The UK was also cited for its sanctions against Argentina as a result of its illegal, colonial occupation of the Malvinas Islands, which is Argentine territory. This is why I feel that the conference will result in demands for the Security Council to impose obligatory, worldwide sanctions against the racist South African Government.

[Reporter] Minister, one last question. Cuba has joined a campaign in favor of Nelson Mandela's release. What can you say about this?

[Malmierca] Nelson Mandela is the highest example of the South African people's struggle. His activities and his struggle prior to being arrested and even after being in jail are a true example for the black people of South Africa, and they encourage them to continue the struggle. His words in moments [words indistinct] and even later, were his will to remain firm in his position of defending the rights of the South African people, to see that their destiny would not be modified as a consequence [words indistinct]. Many years have passed since Nelson Mandela was jailed, but he continues to be the example that encourages that struggle today, and I am sure that the struggle will end with a victory.

[Reporter] Thank you, Foreign Minister Malmierca, for your words for Radio Havana.

ENVOY ON SOUTH AFRICAN ATTACKS ON ANGOLA

FL181750 Havana Radio Periodico del Aire in Spanish 1600 GMT 18 Jun 86

[By Rosa Rivera]

[Text] The UN Security Council is examining an Angolan complaint of new South African aggressions during which one Cuban merchant ship was sunk and two other ships were damaged. The Security Council met again on Tuesday to study the Angolan complaint of a 5 June attack on Namibe port. During the attack, three fuel containers were blown up and the Cuban ship, Havana, was sunk while it was unloading food.

Cuban Ambassador Alberto Velazco San Jose has participated in the Security Council debate.

[Begin recording] In addition to the acts of sabotage, indiscriminate bombings against defenseless populations, and illegal occupation of territories by South African Armed Forces, there are the recent actions carried out by the mercenary UNITA [National Union for the Total Independence of Angola] bands that can operate in Angolan territory only because they have the military, political, and logistical support of the South African and U.S. Governments which supply them with the most sophisticated methods of destruction and death. How much longer will the South African racists continue to act with impunity. How many new victims will result from the constructive engagement and from not imposing sanctions? [end recording]

For his part Angolan Ambassador Elisio De Figuereido called on the Security Council to impose total and obligatory sanctions against South Africa.

OSCAR FERNANDEZ RECEIVES PERUVIAN AMBASSADOR

FL182234 Havana Radio Periodico del Aire in Spanish 2130 GMT 18 Jun 86

[Excerpt] Oscar Fernandez Mell, Central Committee member and president of the Provincial Assembly of the People's Government in Havana City Province, has received Mr Carlos Alberto Higueras Ramos, ambassador extraordinary and plenipotentiary from the Republic of Peru.

During the fraternal meeting, held at the headquarters of the capital government, Fernandez Mell discussed different aspects related to the work being done in Havana City Province, and the relations between the capital and Lima and Cuzco, with which cities relations have been strengthened during these years with the exchange of visits and agreements that have been beneficial to the respective capital cities.

RISQUET MEETS WITH GUINEA BISSAU OFFICIAL

FL170230 Havana Television Service in Spanish 0000 GMT 17 Jun 86

[Excerpt] Jorge Risquet Valdes, member of the Politburo and Secretariat of the Communist Party of Cuba, met today with Carmen Pereira, member of the Politburo of the African Party for the Independence of Guinea and Cape Verde (PAIGC) and president of the National People's Assembly, who is visiting our country at the head of a delegation of legislators from the Republic of Guiniea Bissau. During the meeting, which took place in a warm, friendly atmosphere, the outstanding anticolonialist guerrilla spoke with satisfaction of the historic sustained support received from the Cuban people in her people's stuggle of liberation. They also exchanged viewpoints on the cooperation between our parties and governments.

JUAN ALMEIDA PRESIDES OVER MINREX CEREMONY

FL180122 Havana Radio Rebelde Network in Spanish 2300 GMT 17 Jun 86

[Excerpt] Politiburo member and Conmander of the Revolution Juan Almeida Bosque has presided over the ceremony of the Ministry of Foreign Relations [MINREX] commemorating the 81st anniversary of the death of Generalissimo Maximo Gomez. Together with Almeida, who is the president of the National Commission for the 150th Anniversary of the Birth of Maximo Gomez, the outstanding historian Hortensia Pichardo and members of the family of the outstanding Domincan internationalist attended the solemn ceremony.

GOVERNMENT JOINS ALADI WITH OBSERVER STATUS

PY190145 Montevideo Radio Carve in Spanish 0000 GMT 19 Jun 86

[Text] Cuba has joined ALADI as an observer. The ALADI committee of representatives has granted a request that the Cuban Government submitted through its ambassador in Uruguay. In its request, the Cuban Government said that it wants to help ALADI promote regional trade.

BRAZILIAN THEOLOGIAN FREI BETTO ARRIVES

FL181144 Havana Radio Progreso Network in Spanish 1100 GMT 18 Jun 86

[Text] Frei Betto, author of the book "Fidel and Religion" has arrived in Cuba to participate in the second Latin American and Caribbean Meeting of mass education which will begin at the House of the Americas on [24 June.] The reknowned Brazilian theologian, narrator, and essayist said this second meeting is important for the strengthening of his common work with the peoples of Latin America and the Caribbean.

BRAZIL DENIES ENTRY VISA TO ICAP OFFICIAL

FL182100 Havana Reloj Network in Spanish 2338 GMT 18 Jun 86

[Text] The president of the Jose Marti Association, founded in 1984 in Porto Alegre to expand cultural relations between Brazil and Cuba, has criticized the Brazilian Foreign Ministry's decision to deny an entry visa to a member of ICAP [Cuban Institute of Friendship With the Peoples]. Jose Augusto (Reineli) called it absurd and arbitrary to deny a visa for Juan Alberto Suarez Diaz, ICAP cultural director for Latin America, who was to offer a series of conferences in five Brazilian cities.

ANAP PRESIDENT PRESIDES OVER PEASANT MEETING

FL180225 Havana Radio Rebelde Network in Spanish 2300 GMT 17 Jun 86

[Excerpt] Jose Ramirez Cruz, alternate member of the Politburo and president of the National Association of Small Farmers [ANAP], and Roberto Damian Alfonso, Central Committee member and first secretary of the party in Granma Province, have presided over a meeting of peasants of cooperatives of credits and services that was held in the city of Bayamo.

POLITBURO MEMBER HART ON CULTURE ACTIVITIES

FL181248 Havana Radio Progreso Network in Spanish 1100 GMT 18 Jun 86

[Text] The need to think together and obtain more cooperation among the organizations that plan and promote cultural activities in the country has been noted by Armando Hart, Politburo member and culture minister, during the closing remarks of an activity organized by the music and entertainment directorate. Hart indicated that the Culture Ministry will further strengthen the ties with the Cuban Institute of Radio and Television, the Writers and Artists Union, and the National Cultural Workers Union to coherently implement the revolution's cultural policies.

ESTEBAN LAZO CLOSES CONSTRUCTION INDUSTRY MEETING

FL180134 Havana Radio Rebelde Network in Spanish 2300 GMT 17 Jun 86

[Text] Politburo member and First Secretary of the party in Santiago de Cuba Province Esteban Lazo closed the plenary meeting of the construction industry sector in that eastern province, at which the main problems now affecting the industry were studied. In his remarks, Lazo praised the exemplary attitude of the hard-hats, who undertook the repair work of roads and railways damaged by the recent rains. The party leader issued a call for a decrease in the period of time needed to complete construction jobs, which should be completed with quality work.

POLITBURO MEMBER MACHADO CLOSES UJC MEETING

FL181254 Havana Radio Progreso Network in Spanish 1100 GMT 18 Jun 86

[Text] About 1,500 delegates, 200 national, and 300 foreign guests will participate in the Fifth Congress of the Union of Young Communists [UJC] which will be held at the Palace of Conventions from 1 to 4 April 1987. This was announced in Havana during the opening of a methodology class of the organization process in preparation for the congress. The closing remarks were made by Politburo member Jose Ramon Machado Ventura, who said the congress should reflect the maturity and development achieved by the Cuban youth.

MERCHANT MARINE FLEET TO INCREASE BY 35 SHIPS

FL181501 Havana Radio Progreso Network in Spanish 1100 GMT 16 Jun 86

[Text] Central Committee member and Transportation Minister Diocles Torralba has said the Cuban Merchant Marine fleet will be increased by 35 ships during this 5-year period. He asserted this as he presided over the national main event commemorating the maritime-port workers' day held in Havana.

Torralba indicated that the growth of the current tonnage amounts to 1 million tons of dead weight -- the greatest in Latin America -- which is a matter of great pride for our fleet.

BRIEFS

NEW URUGUAYAN AMBASSADOR -- Bernardo Pinerua Pardinas has presented his credentials as Uruguayan ambassador extraordinary and plenipotentiary to Cuba. [Summary] [Havana Radio Reloj Network in Spanish 2034 GMT 13 Jun 86 FL]

MINISTERS CALL FOR SANCTIONS AGAINST RSA

PA180441 Paris AFP in Spanish 0419 GMT 17 Jun 86

[Excerpt] Georgetown, Guyana, 16 Jun (AFP) -- Today the foreign ministers of Barbados, Trinidad and Tobago, and Jamaica agreed to request economic sanctions against the South African Government to put an end to apartheid.

Foreign Ministers Cameron Tudor from Barbados and Errol Mahabir from Trinidad and Tobago criticized the British Government's refusal to take effective measures against apartheid in South Arica.

Simmonds Condemns Apartheid

FL172350 Bridgetown CANA in English 2221 GMT 17 Jun 86

[Text] Basseterre, St Kitts, June 17, CANA -- Prime Minister Kennedy Simmonds has called on the United States and Britain to stop protecting South Africa from economic sanctions. Speaking at an ecumenical service here to commemorate the 10th anniversary of the uprising in the black township of Soweto, Simmonds said, apartheid cannot be reformed. It must be dismantled.

Describing apartheid as the shame of the century, the prime minister accused Washington and London of pussyfooting and using delaying tactics over the imposition of economic sanctions against South Africa. Both countries oppose broad-based economic sanctions against Pretoria.

ANTIGUA-BARBUDA

PRIME MINISTER CALLS FOR WEST INDIAN NATION

FL182146 Bridgetown CANA in Engish 2140 GMT 18 Jun 86

[Excerpt] St Johns, Antigua, June 18, CANA -- Antigua and Barbuda's Prime Minister Vere Bird today underscored the need for establishing a West Indian nation to pursue economic prosperity for the area. Let us get together and stop being mere villages and become one big nation capable of representing us in the world, he suggested.

When we lump all of our territories and population together no one would be able to consider us as mere specks on the map. He said that such a nation would earn the Caribbean more respect from the international community.

Mr Bird made the comments while delivering a keynote address at a flag raising ceremony in St Johns, marking the fifth anniversary of the establishment of the Organization of Eastern Caribbean States (OECS). Bird was one of the founding members of the West Indies Federation, which collapsed 24 years ago.

Bird said the OECS has an important role to play in bringing about this oneness of the Caribbean islands.

DOMINICA

CHARLES OUTLINES AGRICULTURAL INVESTMENTS

FL181538 Bridgetown CANA in English 1446 GMT 18 Jun 86

[Text] Roseau, Dominica, June 18, CANA -- The Dominica Government is pumping EC21.6 million dollars (one EC dollar; 37 cents U.S.) in investments over the next 12 months in the farming sector. In outlining plans for agriculture in her budget address this week, Prime Minister Eugenia Charles said 11.4 million dollars would be spent on feeder roads and farm access roads.

The banana industry will benefit from 4.7 million dollars for providing inputs for increasing productivity, Charles said. Another 1.8 million dollars will support the ilsand's crop diversification programme while 2.4 million will be directed toward improving institutional arrangements for the marketing of agricultral crops.

The government is expecting external financial support for its agriculture programme. Charles also noted that the Dominica Import-Export Agency (DEXIA) comes into operation on July 1 to replace the island's Agricultural Marketing Broad and its External Trade Bureau.

The new organisation will provide institutional support for the marketing of agricultural crops by identifying new markets and transmitting intelligence data to marketers. Charles said that if necessary, DEXIA will also provide marketing services to producers.

The organisation is also charged with the monitoring of packaging and selection standards of produce, and will help in rationalising and arranging external transportation. Charles said her government was aiming at increasing agricultural production by ten per cent this year, and six per cent annually from 1987.

DLP'S PARLIAMENT MEMBERSHIP FURTHER REDUCED

FL181843 Bridgetown CANA in English 1823 GMT 18 Jun 86

[Text] Roseau, Dominicia, June 18, CANA -- The opposition Dominica Labour Party (DLP) faced further problems today when its spokesman on community development Eden Durand quit the party. In a letter dated today and addressed to the DKP Secretary Jerome Barzey, Durand stated that he would remain in the House of Assembly was an independent member. Durand's decision reduces the DLP's membership in the 30-member parliament to eight, comprising four elected members and four senators The party lost one other seat last month to the ruling Freedom Party in a by-election to replace jailed former Prime Minister Patrick John.

In his letter of resignation Durand said he was dissatisfied with the leadership of the DLP and its boycott of debates in the House of Assembly since government stopped live radio broadcast to its proceedings shortly after the July 1985 general election. The lack of participation in the House of Assembly interferes with our ability to make known the needs of our constituents and therefore makes us ineffective in our representation of the people who elected us, he wrote.

Durand complained about the lack of unity so openly displayed recently, in an obvious reference to the differences between Douglas and Roosie Mills, the losing candidate in last months by-elections. The problems lead to the withdrawal of Douglas from the pre-election campaign and calls from both Mills and Douglas for the party to get rid of the other.

Durand also expressed objection to words used by Douglas in a CANA interview to the effect that the political leader would administer epsom salts to purge the party of pimps. I had not understood that the DLP was not a democratic party in which all the members of any of its groupings had a right to form decisions and policies, he stated. The letter continued, this attitude must prevent the party from succeeding in its goal to represent the people of Dominica and to get growth in the country.

Durand, who represents the Castle Bruce constituency, 25 miles from here on the south-east coast of the island, said his constituents had asked him to resign from the DLP. He was the only member to break the opposition's boycott of parliamentary debates when he spoke in favour of legislation aimed at improving the quality of bananas during last month's sitting of parliament. But he did not address the house when the 1986-87 budget was approved without debate yesterday.

HAITI

LATORTUE ANNOUNCES TRAIL OF FORMER POLICE CHIEF

PA190229 Hamburg DPA in Spanish 0034 GMT 19 Jun 86

[Text] Port-au-Prince, 18 Jun (DPA) -- Luc Desir, former cheif of the feared secret police, will be tried in July, Haiti's Justice Minister Francois Latortue announced today. In Port-au-Prince it was reported that Desir, a civilian in his sixties, will "name names." The trial is expected to implicate many top officials of the current government.

Desir was in charge of an organization called "SD" [not further identified] during the era of Francois Duvalier, "Papa Doc." However, Jean-Claude Duvalier fired him and created a "Investigation Commission" headed by Colonel Albert Pierre.

Pierre, alias "Tiboule" (Small Fire), fled to Brazil after Duvalier's ouster. As Minister Latortue said today, he will probably be extradited by the Brazilian Government.

Desir opposed the marriage of "Baby Doc," Jean-Claude Duvalier, to Michelle Bennett. For that reason the young dictator fired him from all his posts, including that of security adviser for the head of state.

After Jean-Claude Duvalier left the country, Desir tried to flee, but thousands of Haitians who went to the airport would not let him. They had been tipped off by an airline company employee who called a local radio station.

VENEZUELA SEEKS TO STRENGTHEN BILATERAL TRADE

FL141606 Bridgetown CANA in English 1547 GMT 14 Jun 86

[Text] Georgetown, Guyana, June 14, CANA -- A top-level Venezuelan trade team seeking to strengthen bilateral trade will arrive here this weekend for a four-day visit, Venezuelan Ambassador Dr Hugo Alvarez Pisano said yesterday. The team will come from the integrated private sector economy, he said.

The Venezuelans will inform a Guyana trade team on availability of Venezuelan products and examine local products of interest to the Venezuelan market.

Other than meeting the government trade team, discussions will also take place with the Chambers of Commerce and Industry in Berbice and Georgetown. Discussions will also take place with representatives of the Guyana Manufacturers Association.

Shipping matters involving the two neighbouring countries will also hold attention as they try to increase trade significantly, the ambassador said.

Private enterprise businesses in both countries are expected to play pivotal roles in proposed trading activities. Pisano said the Venezuelan team will comprise a cross-section of Venezuelan importers and exporters.

A barter agreement between the Venezuelan and Guyana Governments was signed two months ago, allowing Venezuela to meet Guyana's petroleum needs in part and for Guyana to supply high grade bauxite to the neighbouring republic.

OPPOSITION CALLS FOR INQUIRY INTO BURNHAM ASSETS

FL131258 Bonaire Trans World Radio in English 1130 GMT 13 Jun 86

[Text] In Guyana, a member of the parliamentary opposition group has called for an investigation into the assets of the late Guyanese President Forbes Burnham. Eusi Kwayana, who is the parliamentary representative of the Working People's Alliance, made the appeal in a motion tabled in parliament.

SUGAR HARVEST COMPLETED, GOAL EXCEEDED

FL091524 Bridgetown CANA in English 1455 GMT 9 Jun 86

[Text] Georgetown, Guayana, June 9, CANA -- Guyana has completed reaping its first sugar crop for 1986 reporting production of 124,475 tons -- 305 tons above the pre-harvest target.

The state-owned Guyana Sugar Corporation said the crop output was the second highest since the industry was nationalised and nine per cent above last year's first crop production. The 1986 first crop target was 124,170 tons.

The first crop achievement has earned a total of 51 days tax-free pay for the country's sugar workers.

NETHERLANDS CITIZENS ARRESTED FOR ESPIONAGE

FL181928 Paramaribo International Service in English 1800 GMT 18 Jun 86

[Text] The two Dutch men who were arrested a week ago on charges of espionage had earlier given false information to the Surinamese Consulate in French Guiana. In their visa application they had claimed to be travel agents. It has turned out, however, that they work for the weekly [name indistinct]. The military police have not been able to determine the damage they have caused by their activites.

Improved Carcicom, Trinidadian Relations Sought

Fl121714 Bridgetown CANA in English 1649 GMT 12 Jun 86

[Text] Port-of-Spain, Trinidad, June 12, CANA -- Suriname is moving to improve relations with countries in the Caribbean Community (Caricom), according to Suriname's new ambassador to Trinidad and Tobago, Dr John Kolader. Kolader is the first Suriname ambassador to present credentials here.

Kolader, also accredited to Jamaica and Guyana, where he is resident, said in an interview on local radio here that Suriname already worked closely with Caribbean countries under the development programming of Lome III. The Dutch-speaking republic is an observer to some Caricom committees.

We will explore further relationships with Caricom, said Kolader, next to that we are strengthening the relationships with all the Caribbean countries.

With Trinidad, Kolader said that Suriname saw possibilities of talks on matters linked to fisheries, agriculture, air services, and energy. I think that we have to explore further those areas, said Kolader, and see whether we can get close to each other, if we can understand each other better for the benefit of both countries.

BOUTERSE DISCUSSES LABOR PROBLEMS WITH CABINET

Fl181912 Paramaribo International Service in English 1800 GMT 18 Jun 86

[Text] Commander Bouterse met last Monday with cabient ministers on the laying off of the 500 workers of the Suriname Aluminium Company [Suralco]. The importance of the bauxite industry to Suriname was also discussed. Earlier that day, the commander had also met with Suralco Director George Stephens in an effort to find a solution to the problem of the 500 [workers]. Yesterday, this meeting was continued.

At the end of last week, Commander Bouterse also spoke with the Chairman of the two trade unions at Suralco concerning the situation with the workers.

Later, the trial judge decided that a test case brought by two workers against Suralco is too complicated to be tried immediately.

FBIS
DAILY REPORT
CONTENTS
Latin America

Vol VI No 119 20 June 1986

BOLIVIA

PRC Trade Delegation Makes Official Visit C 1
Minister Says No Relations With North Korea C 1
Briefs: French Ambassador Ends Duties; Coffee Plague Affects Plantations; Report on Oil Reserves; DM50 Million Loan C 1

BRAZIL

Nicaraguan Embassy in Brasilia Burglarized D 1
President Sarney To Meet With Pope in July D 1
Foreign Ministry Hopes To Improve Ties With EEC [O GLOBO 17 Jun] D 1
Briefs: World Bank Loans Approved D 1

CHILE

PRC Goodwill Committee Official Arrives [EL MERCURIO 12 Jun] E 1
25 University Students Imprisoned in Santiago E 1
'Subversives' Clash With Police in Valparaiso E 1
Navy Commander in Chief Discharged From Hospital [EL MERCURIO 17 Jun] E 1

COLOMBIA

Nicaraguan Arms Explanation 'Unconvincing' F 1

ECUADOR

Energy Minister Comments on Oil Reserves G 1
New Public Works Minister Outlines Plans G 1

PERU

FRG's Brandt, Venezuela's Perez Arrive 18 June J 1
Further Reportage on Jail Riots; Hundreds Killed J 1
    Government Issues Communique J 1
    Struggle for El Fronton Continues J 2
    Heavy Casualties Reported J 2
    Further Casualty Reports J 2
    Riots Reported Stopped J 3
Police, Army Kill 22 Shining Path Members J 3

VENEZUELA

Lusinchi Blames U.S., USSR for Contadora 'Drama' L 1

MEXICO

U.S. Fishing Vessel Seized in National Waters M 1
Soviet Ambassador Criticizes U.S. Diplomacy M 1
New Bank Association President Appointed M 1

PANAMA

Further Reaction to NY TIMES Noriega Article N 1
  Noriega, Diaz Comment N 1
  Noriega on Article, Ship Seizure N 2
Contradictions Noted in Pia Vesta Reports N 3
    [LA PRENSA 19 Jun]
  Arms for Regional Guerrillas N 4

CENTRAL AMERICA

COSTA RICA

Police Find Arms Cache Near Nicaraguan Border P 1
LA NACION Asks Substantiation of Noriega Charges [15 Jun] P 1

EL SALVADOR

FMLN Attacks 3d Infantry Brigade in San Miguel P 2
  Coprefa Report P 2
  Officials Discuss Incident P 3
FMLN Calls for Transportation Strike 20 June [Venceremos] P 9

GUATEMALA

Cerezo Says Government Has Not Lost Power P 9

HONDURAS

Communique Issued on Contadora Proposal P 10
    [EL HERALDO 18 Jun]
Government To Repatriate Nicaraguan Refugees P 10
    [TIEMPO 18 Jun]

NICARAGUA

Official Says USSR AN-30 Used for Cartography [EFE] P 11

CUBA

Castro Discusses Revolution, Freedom, Exiles Q 1
    [Paris LE FIGARO MAGAZINE 14-20 Jun]
Malmierca Meets With Soviet, CSSR Officials Q 2
ICAP President Meets Burkina Faso Ambassador Q 2

CARIBBEAN

Canada's New Trade Assistance Program in Effect S 1

BARBADOS

Improved Relations Sought With Cuba, U.S. S 1

DOMINICA

Prime Minister Charles Marks OECS Anniversary S 2

HAITI

Students Strike, Demand Officials' Removal S 2

PRC TRADE DELEGATION MAKES OFFICIAL VISIT

PY191901 La Paz La Red Panamericana in Spanish 1700 GMT 19 Jun 86

[Text] Industry Chamber President Xavier Lupo has met with the members of the delegation of the China Council for the Promotion of International Trade. The PRC delegation expressed a clear interest in establishing the most cordial bilateral relations with Bolivia.

Here are the Bolivian Chamber of Commerce president's comments expressing his satisfaction with the visit of the PRC delegation:

[Begin recording] On behalf of those Bolivian industrialists who are represented by the board of the Bolivian Chamber of Commerce and as representatives of Bolivian industry, we cordially welcome you to our country. [end recording]

The PRC's interest in establishing good commercial and industrial relations with Bolivia is expressed in the visit that this delegation is paying to our country.

MINISTER SAYS NO RELATIONS WITH NORTH KOREA

PY191607 Paris AFP in Spanish 0618 GMT 19 Jun 86

[Text] La Paz, 18 Jun (AFP) -- Foreign Minister Guillermo Bedregal Gutierrez today denied here that the Bolivian Government had ever considered establishing relations with North Korea, a position that would jeopardize relations with South Korea. Bedregal explained that the visit of North Korean diplomats who reside in Lima, Peru, to this capital last week was unofficial, and thus permitted a friendly exchange of viewpoints on foreign policy.

BRIEFS

FRENCH AMBASSADOR ENDS DUTIES -- French Ambassador to Bolivia Jean Claude Buisset has ended his assignment in the Bolivian capital. [Summary] [La Paz La Red Panamericana in Spanish 0001 GMT 17 Jun 86 PY]

COFFEE PLAGUE AFFECTS PLANTATIONS -- Yerko Kukoc, director of the Sanitation Department of the Agriculture Ministry, has stated that the coffee plague that affects 30 percent of the coffee plantations could cause losses of $6 million in 1986. [Summary] [La Paz PRESENCIA in Spanish 27 May 86 p 1 PY]

REPORT ON OIL RESERVES -- According to information disclosed by the Government Oil Deposits [YPFB], the oil reserves calculated in January 1986 amount to 156,020,000 barrels, including proven and estimated reserves. Proven and estimated natural gas reserves amount to 5 billion cubic feet. [Summary] [La Paz PRESENCIA in Spanish 28 May 86 p 7 PY]

DM50 MILLION LOAN -- The Andean Development Corporation [CAF] has signed a DM50 million loan with the Kreditanstat Fur Wideraufbau (KFW), headquartered in Frankfurt, FRG. These resources will be used to purchase FRG goods and services for the implementation of CAF projects. [Summary] [La Paz PRESENCIA in Spanish 5 Jun 86 p 15 PY]

NICARAGUAN EMBASSY IN BRASILIA BURGLARIZED

PY191605 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 19 Jun 86

[Text] As in the Watergate scandal, the Nicaraguan Embassy in Brasilia has been burglarized. Their files and cabinets were turned inside out.

PRESIDENT SARNEY TO MEET WITH POPE IN JULY

PY121852 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 12 Jun 86

[Excerpt] President Sarney will officially meet with Pope John Paul II, but government advisers have not disclosed the topics they will discuss. The president and the pope may discuss the recent murder in Goias of Father Jozimo Tavares, a representative of the Pastoral Land Mission. They will also probably discuss the implementation of the agrarian reform program in Brazil.

The complete agenda of the president's visit to the Vatican and his possible official visit to Italy on 9 July are to be worked out this week by Foreign Ministry Secretary General Paulo Tarso Flecha de Lima. He is now in Europe, where he traveled on 9 June.

FOREIGN MINISTRY HOPES TO IMPROVE TIES WITH EEC

PY191156 Rio de Janeiro O GLOBO in Portuguese 17 Jun 86 p 20

[Text] Brasilia — Paulo Tarso Flexa de Lima, secretary general of the Brazilian Foreign Ministry, will meet in Brussels today with Claude Cheysson, EEC commissioner for cooperation and development. The purpose of the meeting is to discuss ways to increase political and commercial ties between Brazil and the EEC, a task that will be made easier by Portugal's and Spain's joining the EEC.

The representatives of the EEC in Brazil have been proposing this rapprochement for quite some time now. Paulo Tarso is travelling to the meeting with his adviser, Gleson Fonseca, and Ricardo Drummond, head of Itamaraty's marketing research division. The EEC representatives in Brazil have complained that the Brazilian Government usually gives priority to the United States.

BRIEFS

WORLD BANK LOANS APPROVED — Two World Bank loans have just been approved for Brazil. A loan totaling $94 million will be used for an irrigation project in Pernambuco. The other loan, totaling $57 million, will be used by Codevasf [Sao Francisco Valley Development Company] to reactivate an old irrigation project and undertake a new one covering 11,000 hectares in the Sao Francisco region. [Text] [Sao Paulo Radio Bandeirantes in Portuguese 1000 GMT 16 Jun 86 PY]

PRC GOODWILL COMMITTEE OFFICIAL ARRIVES

PY200255 Santiago EL MERCURIO in Spanish 12 Jun 86 p C 3

[Text] Lin Ping, vice president of the PRC Goodwill Committee toward Latin America, is now visiting our country. He will be received today at 1000 by Deputy Foreign Minister General Sergio Covarrubias.

Lin Ping is in Santiago at the invitation of the Chilean-PRC Cultural Institute. It should be noted that Lin Ping was the first PRC ambassador to Chile. In his new post, Lin Ping is in charge of cultural relations between Latin America and the PRC.

Deputy Foreign Minister Covarrubias visited the PRC a few weeks ago as a member of a Chilean goodwill delegation.

25 UNIVERSITY STUDENTS IMPRISONED IN SANTIAGO

PY192150 Madrid EFE in Spanish 0342 GMT 19 Jun 86

[Excerpts] Santiago, 18 Jun (EFE) -- Chilean authorities today imprisoned 25 university students who were arrested in the past 48 hours during demonstrations in Santiago and other cities.

The majority of the people who were arrested, some 200, were released after their addresses were checked. However, 24 still remain at a Carabineros station, awaiting a decision on their fate. All the arrests and imprisonment of university students are the result of the extended stoppage, which began on 16 June, to protest the military intervention in the universities, and in support of the civic disobediance plan of the Civic Assembly.

'SUBVERSIVES' CLASH WITH POLICE IN VALPARAISO

PY200317 Santiago Domestic Service in Spanish 2300 GMT 19 Jun 86

[Relay from Valparaiso]

[Text] Twenty-five subversives, who had infiltrated among university students, were arrested during violent confrontations with the police in downtown Valparaiso. The subversives, wearing ski masks, attacked the police with acid, sling shots, and steel pellets when the police tried to take down the barricades set up to stop traffic. The violent clashes occurred throughout the entire afternoon. Five political activists were arrested when they were throwing fire bombs and another six were later detained near the Catholic University for attacking Carabineros who broke up the demonstration with tear gas. The policemen were attacked with steel pellets shot from sling shots, with acid and explosive devices. No policemen were injured.

NAVY COMMANDER IN CHIEF DISCHARGED FROM HOSPITAL

PY200233 Santiago EL MERCURIO in Spanish 17 Jun 86 p C 5

[Text] Admiral Jose T. Merino, Navy commander in chief and Government Junta member, has been discharged from the Naval Hospital of Valparaiso where he was treated for acute gastroenteritis. According to information released by the Navy Public Relations Department in Santiago, Adm Merino went to his private residence in Resena this past weekend. It has been reported that he is taking care of institutional and legislative business from his residence, as normal. While he remains in Region 5, Adm Merino is represented in Santiago by Vice Admiral German Guesalaga Toro, Navy Joint Staff chief. Admiral Merino had been hospitalized since 31 May.

NICARAGUAN ARMS EXPLANATION 'UNCONVINCING'

PA191703 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 19 Jun 86

[Text] Bogota -- The special tribunal that investigated the attack on the Justice Palace has stated that Nicaragua's explanations about the presence of Sandinist weapons in the 6-7 November guerrilla action are unconvincing.

This was stated in the text of a report drafted by Judges Jaime Serrano Rueda and Carlos Supei Zapata in reference to explanations given by Nicaraguan Foreign Minister Miguel D'Escoto on the discovery of 12 rifles used in the Sandinist struggle against the Anastasio Somoza regime.

On that occasion Nicaragua admitted that only one-third of the total weapons for the liberation struggle reached the FSLN and added that it ignored the whereabouts of the rest of the war materiel. Regarding the assault weapons found at the Justice Palace, Nicaragua said that perhaps they belonged to the Somozist guard and that at the time of the victory of the Sandinist revolution thousands of Somozist fled with arms and equipment to Honduras.

In the face of these explanations, the special tribunal noted: The government thus felt that the matter was closed. However, the rules of diplomacy and those of justice are different. To this tribunal, the reasons given by the Nicaraguan minister are unconvincing. It added that it feels that the explanation is unacceptable because all it does is to point out grounds for conjectures. The most doubtful of these conjectures is the possible link between the M-19 and the agents of dictator Somoza.

The tribunal stressed that Nicaragua reacted 24 hours before Colombia protested and hinted that there are indications that make the tribunal believe that Nicaragua aided the M-19. Regarding this, it noted: Since the existence of foreign weapons could be viewed as a cooperation from movements and governments of other countries, the tribunal made every effort to confirm if the information supplied to our Foreign Ministry by the Nicaraguan ministry (?was true).

The state security organizations conducted investigations abroad to establish the basis of the information that the U.S. Government had to back up the statements President Ronald Reagan and Secretary of State George Shultz made to the international public that cooperation of Nicaraguan leaders was involved in the Justice Palace incident.

In its objections to the Nicaraguan explanations on the presence of Sandinist weapons in the guerrilla takeover, the tribunal hopes that the answers to these questions will be found in the future.

ENERGY MINISTER COMMENTS ON OIL RESERVES

PA120241 Quito Radio Quito in Spanish 2300 GMT 11 Jun 86

[Text] Energy and Mines Minister Javier Espinosa today inaugurated a secondary recovery project at the (?Sarchi) oil field in Ecuador's east. The opening ceremony was also attended by Ecuadoran State Petroleum Corporation [CEPE] General Manager Oscar (?Manavich), the manager of the CEPE-Texaco consortium Rene Bucaram, energy authorities, special guests, and journalists. During the ceremony, Minister Espinosa underlined the importance of this work that represents an increase of 167.7 million barrels of oil to the country's current proven oil reserves.

[Begin Espinosa recording] We are here to open a project included in our initial plans to increase our oil reserves. We will increase these reserves to 276 million barrels. That is to say, at present 102 million barrels will be added. [Words indistinct] and with the injection of water in the structures, 167 million barrels will be added to the reserves by the end of this year. Reseves to be added during primary recovery until the year 2000 have been estimated at 108 million barrels. Through studies conducted not by the consortium but by the national hydrocarbons directorate, it has been estimated that we will definitely achieve an increase of 167 million barrels of oil through water injection assisted revovery in the oil beds. This project has been executed by the consortium with technical assistance by Ecuadorans to whom the country expresses thanks today. [end recording]

NEW PUBLIC WORKS MINISTER OUTLINES PLANS

PA191423 Quito Voz de los Andes in Spanish 1130 GMT 19 Jun 86

[Excerpts] Jorge Rodriguez Baquerizo, Ecuadoran minister of public works and communications, will submit to the president of the Republic a bill to increase fiscal revenue for the construction and maintenance of the nation's road network.

[Begin Rodriguez recording] Within a few days we will submit to the president of the Republic a bill containing a new financing plan for the highway administration law. [end recording]

These remarks were made by Jorge Rodriguez Baquerizo, new minister of public works and communications, during a news conference.

FRG'S BRANDT, VENEZUELA'S PEREZ ARRIVE 18 JUNE

PY192045 Lima Radio del Pacifico in Spanish 1300 GMT 19 Jun 86

[Text] Former FRG Chancellor Willy Brandt, president of the Socialist International, and former Venezuelan President Carlos Andres Perez arrived in Lima yesterday. The visitors arrived at the Callao Air Base in a private plane, and were received by Armando Villanueva del Campo who is American Popular Revolutionary Alliance secretary general, and Deputy Carlos Roca Caceres who is president of the Chamber of Deputies Foreign Relations Commission.

The Socialist leaders were later received by President Garcia at Government Palace.

FURTHER REPORTAGE ON JAIL RIOTS; HUNDREDS KILLED

Government Issues Communique

PY191753 Lima Canal 9 Television in Spanish 0240 GMT 19 Jun 86

[Excerpts] In a quick operation, the forces of order have reestablished their authority at the El Fronton, Lurigancho, and Santa Barbara jails, where terrorists imprisoned yesterday rioted this morning, taking hostages and seizing weapons. The inmates have been transferred to the high-security Cantogrande jail.

The government has reported the following:

1. As was stated in communique No 1, at 0600 this morning the El Fronton and Santa Barbara jails and part of the Lurigancho jail were taken over by terrorist criminals who injured policmen, took several hostages, and seized firearms.

2. Since early in the morning judges and representatives of the state prosecutor, together with a member of the Senate Human Rights Commission and the Peace Commission presided over by Dr Fernando Cabieses, have been at El Fronton.

3. At 1600 the Peace Commission made a call to the rioting terrorists and asked them to obey the authorities, hand over the hostages, and return the weapons. The Peace Commission's efforts were fruitless.

4. Police personnel under the orders of the Armed Forces Joint Command are now restoring order in the jails and transferring the inmates to the Cantogrande jail.

5. The government reiterates that this coordinated rebellion in three jails was aimed at taking advantage of the international political meeting being held in Lima and the presence of numerous foreign newsmen to stain the Peruvian image abroad.

6. According to the Constitution and laws, the government will do its duty of maintaining tranquillity and order.

Lima, 18 June 1986.

Struggle for El Fronton Continues

PY192311 Paris AFP in Spanish 2156 GMT 19 Jun 86

[Text] Lima, 19 Jun (AFP) -- The Armed Forces Joint Command has reported that the terrorists being held in the El Fronton island prison continue to resist the naval and police forces which have been trying to subdue them for almost 20 hours.

The official communique states that 3 noncommissioned naval officers have been killed and 3 sailors and 16 policemen wounded. There has been no report on casualties among the inmates.

Heavy Casualties Reported

PY200201 Paris AFP in Spanish 0102 GMT 20 Jun 86

[Text] Lima, 19 Jun (AFP) -- Sources close to the government, who refused to identify themselves, reported tonight that almost 50 percent of the 700 imprisoned terrorists who rioted on 18 June in the three Lima prisons have died in the struggle with the forces of order.

The sources added that 128 Lurigancho prison inmates and 4 inmates of the Santa Barbara women's prison have died, and that 70 percent of the 250 terrorists who rebelled at El Front on prison died in the struggle going on against police and Naval forces since last night.

According to the sources, a frigate fired on and destroyed the block where the terrorists were holding out at the El Fronton prison while the marines attacked the building, which is located on a rocky island 18 km off the coast.

It is now impossible to get official confirmation of the number of victims or of what is happening at El Fronton, a place to which reporters have no access. A helicopter chartered by reporters approached the area but was ordered to return by the Navy.

Further Casualty Reports

NC200614 Paris AFP in English 0603 GMT 20 Jun 86

[Text] Lima, June 20 (AFP) -- At least 156 prisoners died, and three soldiers, when troops put down mutinies at three Peruvian prisons, but more people were thought to have been buried in tunnels dug under the island prison of El Fronton, military authorities said.

The Armed Forces Joint Command said early Friday that the situation was under control in the three prisons. Most of the prisoners were members of the far left Shining Path guerrilla group.

The command said that at El Fronton, 18 kms (10 miles) off the coast [word indistinct] Lima, fighting lasted 20 hours and 30 "terrorists" were killed. 30 surrendered, some of them wounded. Three soldiers were killed and 20 wounded.

At Luringacho, the prisoners held out for 12 hours and 124 were killed. 13 soldiers were injured.

Earlier, military authorities said two prisoners died at Santa Barabara women's prison at the port of El Callao. Thirteen soldiers were wounded.

Riots Reported Stopped

PY191603 Paris AFP in Spanish 1416 GMT 19 Jun 86

[Text] Lima, 19 Jun (AFP) -- It was officially reported today in Lima that commandos of the forces of order this morning stopped the two prison riots in Lima and Callao. Many have reportedly been killed, and 13 military men were wounded, 5 of them seriously.

The fourth communique issued by the Armed Forces Joint Command states that order has been restored at the Lurigancho prison and at the Santa Barbara Women's jail, and the military operation is about to be concluded at El Fronton Island.

POLICE, ARMY KILL 22 SHINING PATH MEMBERS

PY200011 Paris AFP in Spanish 1657 GMT 19 Jun 86

[Text] Lima, 19 Jun (AFP) -- The Armed Forces Joint Command today reported that 22 Shining Path terrorists died in the recent clashes with Army and police patrols in the Andean departments of Ayacucho and Puno.

Government sources have said that the death toll caused by terrorist violence thus far this year stands at 467. The sources blamed the high number of victims on the Maoist guerillas led by Abimael Guzman, who has gone underground.

According to an official communique issued by the Joint Command, which is in charge of antisubversive actions in the area where the guerillas operate, two of the clashes occurred near Chumba and Sacsahuay, Ayacucho, some 570 km southeast of Lima.

In Chumba, nine communist terrorists died and a military patrol destroyed two guerilla camps. In Sacsahuay, another Army patrol killed 10 terrorists during a clash with a Shining Path column. In a third clash, a police patrol killed three members of a Shining Path commando that had dynamited a railway train in Chuquibambilla, Puno Department, 1,300 km southeast of Lima.

The communique said that the police seized an FAL rifle, several revolvers, bombs, and military uniforms.

LUSINCHI BLAMES U.S., USSR FOR CONTADORA 'DRAMA'

PA200353 Paris AFP in Spanish 0252 GMT 20 Jun 86

[Text] Caracas, 19 Jun (AFP) -- President Jaime Lusinchi said today that the United States and the Soviet Union are the cause of the Contadora Group's "drama" because of their intervention in the Nicaraguan question.

The Venezuelan president made this statement to Norwegian journalists who are accompanying their country's prime minister, Gro Harlem Brundtland.

When they asked how he views Central America's future after the failure to sign the Contadora peace document on 6 June, Lusinchi responded: "With concern...with concern."

He said that despite the impact of Contadora's peace efforts on the opinion of the international community "unfortunately, two sectarian tendencies in the area do not want to give up and do not want to yield positions."

"This is precisely our drama: the intervention by the United States and the intervention by the Soviet Union in the Nicaraguan matter."

"All we can do in this gameplaying by the superpowers is to set into play our moral strength of rationality and our search and merely to wait, invoking more and more forcefully the need for peaceful political understanding because no military solution will ever be achieved there, particularly because this matter has an undertone of serious social problems," he said. [sentence as received]

"Therefore, the Central American question is quite complex, and we base our bargaining power on telling the truth to both sides. Perhaps it is there where our apparent weakness lies," Lusinchi added.

"Of course, our greatest strength lies there, too, and, in fact, we are trying to be the scale's needle...an unstable weight scale is dangerous."

When questioned about the importance of the summit of Central American heads of state at Esquipulas, Guatemala, Lusinchi responded that "it was important because they are the fundamental protagonists."

"However, behind them are the shadows that perhaps make the fundamental decisions," the president added.

U.S. FISHING VESSEL SEIZED IN NATIONAL WATERS

PA200300 Madrid EFE in Spanish 0202 GMT 20 Jun 86

[Text] Tampico, Mexico, 19 Jun (EFE) -- It was learned here that today, after firing several warning shots and pursuing it, the Mexican Navy captured the U.S. fishing vessel Don Mario in Mexican waters. A Mexican Navy spokesman in Tampico said that the ship, with five crewmen on board, was fishing in Mexican waters and that it fled once it was discovered.

He pointed out that the vessel, which is kept in this port, [Tampico] will probably be confiscated, as will its nets and catch. The spokesman added that the Interior Ministry will decide on the responsibility of the crewmen and on the fine to be imposed on the owner of the vessel.

SOVIET AMBASSADOR CRITICIZES U.S. DIPLOMACY

FL192334 Mexico City NOTIMEX in Spanish 2235 GMT 19 Jun 86

[Excerpt] Mexico City, 19 Jun (NOTIMEX) -- By speaking about the internal affairs of other countries, the United States shows it has no diplomatic sense, Soviet Ambassador to Mexico Rostislav Sergeyev has said. When he was interviewed concerning the attacks launched against Mexico by U.S. Senator Jesse Helms, who said that the 1982 Mexican national elections were fraudulent, the Soviet ambassador said the Ronald Reagan administration has shown it has little common sense.

Sergeyev added that the United States does not understand the changes that are occurring in the world, which necessarily require international cooperation; in addition, he said, the United States thinks it is the center of the world, and there are no indications it intends to change its political orientation.

The Soviet ambassador said that proof that the United States is maintaining its selfish policies is provided by its repudiation of SALT II; he said that if this treaty is violated, there will be a renewed arms race that will clearly endanger world peace.

NEW BANK ASSOCIATION PRESIDENT APPOINTED

FL192200 Mexico City NOTIMEX in Spanish 2110 GMT 19 Jun 86

[Excerpt] Mexico City, 19 Jun (NOTIMEX) -- Ernesto Fernandez Hurtado, General Director of the Bank of Commerce (Bancomer), was appointed new president of the Mexican Association of Banks. He is replacing current Mexican Finance and Public Credit Secretary Gustavo Petricciolі.

FURTHER REACTION TO NY TIMES NORIEGA ARTICLE

Noriega, Diaz Comment

PA200246 Panama City Circuito RPC Television in Spanish 2300 GMT 19 Jun 86

[Text] Several sectors in Panama have spontaneously stated their support and backing for General Manuel Antonio Noriega and the Defense Forces, rejecting the slanderous articles which were issued by the U.S. newspaper THE NEW YORK TIMES. Sports leaders, community representatives, journalists, and private citizens stated their sympathy for Defense Forces Commander Gen Noriega, who welcomed the delegation this morning at the general barracks.

This news team availed itself of the occasion to hear Gen Noriega's statement concerning the support that he received from this mass of people.

[Begin recording] [Noriega] We feel, as Panamanians and members of the Defense Forces, quite satisified because what was intended as an attack has turned into a victory. Therefore, I personally feel victorious at this moment.

[Unidentified reporter] What about the government's reaction, meaning from government to government, concerning the slanderous statements?

[Noriega] Well, the answer is absolutely clear, and it meets the Foreign Ministry's demands.

[Reporter] Gen Noriega, what about the seizure of a boat that was carrying [words indistinct].

[Noriega] Well, this was coordinated between President Alan Garcia and us. This proves that the merchants of death are all over the area and are taking advantage of our geographical position.

[Reporter] General, we are quite interested in the latest events, which have undoubtedly consolidated your position at national level. Once this is over, what is the path to follow and what is the outlook?

[Noriega] Well, the Defense Forces will continue to develop our institution and stand beside the president, seeking a democratic consolidation, because this process cannot be turned back. [end recording]

Likewise, the Trade Union of Panamanian Journalists [SPP], represented by Secretary General Mario Martinez, our colleague, issued a declaration on behalf of the journalists organized in Panama City, protesting the slanderous and defamatory campaigns which are being organized by U.S. newspapers like THE NEW YORK TIMES and others to undermine the constructive nationalism which is being defended by our Panamanian homeland with great dignity.

Gen Noriega received the declaration issued by the Panamanian journalists and said:

[Begin recording] It has been fully ascertained that they do not fear a man or some men, but the Republic of Panama's nationalist position.

The ultramontanes of the North and the retrograde sectors in our country have joined the same negative line but, as long as we have men and journalists like you, and a nationalist youth, they will always find a sign that says: You will not pass. [end recording]

The Armed Forces General Staff is more consolidated than ever and supports the corps and those who currently represent it, it was stated by Colonel Roberto Diaz Herrera, chief of staff in our country's military forces.

[Begin Diaz recording] Look, Santamaria, we have already said it but since you have requested it, I reassert this: At the internal level in the Defense Forces, all our General Staff, commanders, officers, and troops clearly know why Gen Noriega is being attacked. The attacks are not aimed at Gen Noriega as a person but at the position he holds, the institution itself, and what the institution represents to the Panamanian nation right now, the state organizations, the executive branch, legislative branch, judicial branch -- everything which comprises a modern state. However, Gen Noriega is chosen as the target because they feel that he is the main obstacle which does not let them develop their strategy, which is aimed at undermining the state institutions -- which are constitutionally, legally, and juridically comprised.

Internally speaking, there is logically support for the commander who leads us and the esprit de corps is completely behind him, because we know that he is nothing but a chance victim given that he is the commander. If Noriega were not the commander; if it were Barrera, Castillo, or Gonzalez -- anyone who holds the post -- would also bear the brunt of those attacks. [end recording]

Noriega on Article, Ship Seizure

PA200329 Panama City Televisora Nacional in Spanish 0000 GMT 20 Jun 86

[Text] The doors at the Defense Forces Command were opened this morning to receive various groups who went to express their support and sympathy to Gen Manuel Antonio Noriega.

Civic groups, the San Miguelito District Council, the Union of Typographers and Graphic Arts Workers, the Journalists Union of Panama, local and international news media representatives, a delegation from the National Sports Institute, the National Baseball Federation, the Olympic Committee, the Confederation of Workers of the Republic of Panama, women's organizations, and hundreds of personalities, went to the Defense Forces headquarters to express their sympathy and full support to General Manuel Antonio Noriega, Defense Forces commander in chief. Later, Gen Noriega held a news conference.

[Begin recording] [Noriega] As a Panamanian and as a member of the Defense Forces, I am extremely satisified because the attack against me has turned into a victory for me. Personally, I feel that as of this moment, I have won.

[Unidentified reporter] What about the reply obtained by the government from [the U.S.] Government regarding the rumors?

[Noriega] The reply is absolutely clear, and it meets the Foreign Ministry's demands.

[Reporter] General Noriega, what do you have to say about the seizure of the ship carrying the arms?

[Noriega] Well, this was coordination between President Alan Garcia and us. This proves that the merchants of death are all over the area and are taking advantage of our geographic position. The development of our institution at the side of the president of the Republic, and the search for a democratic consolidation, will prove that this process will always move forward. I have received support from Central America and the rest of the Americas. I have received similar reactions from many European countries that have expressed their interest in becoming familiar with our methods and principles. They have also realized that the plot is against Panama, against the Panamanian people and their sovereign territorial aspirations.

[Reporter] General, do you care to deliver a message to the Panamanian people in relation to the latest developments?

[Noriega] My message is that I think that this is just another tiny obstacle in our path.

[Reporter] Do you think the plot has ended with this incident with THE NEW YORK TIMES?

[Noriega] No, no, the plot will continues as long as we have forces supported by the people and nationalist forces. [end recording]

CONTRADICTIONS NOTED IN PIA VESTA REPORTS

PA200317 Panama City LA PRENSA in Spanish 19 Jun 86 p 24 A

[From the "In a Few Words" column]

[Excerpts] The unbelievable story of the Danish vessel loaded with weapons matches the statement by Mon General [Manuel Antonio Noriega] to foreign correspondents. To wit (from 17 June LA PRENSA): During Friday's interview, he was asked about the charges pointing to him as responsible for the murder of Dr Hugo Spadafora. Noriega replied, "I do not care." Later he recalled a phrase by Dr Eusebio Morales: "I do not explain or defend myself."

Foreign reporters and photographers went to see the Pia Vesta which carried the awesome shipment of weapons. The captain blocked their way and rudely told them that he (the captain) had strictly forbidden access to the vessel. He threatened them with all sorts of reprisals. Since the captain -- along with the entire crew -- was theoretically under arrest, one of the reporters remarked that he had never met a detainee with so much authority and so bossy. By then the reporters were in stitches about the authorities' progressively Charlie Chaplinesque explanations. Each explanation contradicted the previous one. First, the reporters were told that the GDR was sending the weapons to the contras; something which was too much, even for a joke. Later, the weapons were said to be not for the contras but for the Salvadoran guerrillas. In either case, Captain Christian Johanssen (no kin) must have studied geography in books by Hans Christian Andersen. Look here, to go to Nicaragua or El Salvador via Peru is like going to Darien via Puerto Armuelles.

However, after a mature reflection, Panama's brilliant authorities decided to adjust their explanations to the physical realities of the continent: The truth is that the vessel was carrying weapons which the GDR was sending to the Peruvian Shining Path. Anybody with some idea of what is going on in the world knows that this is political nonsense, and that the GDR is not going to supply weapons to a group like the Shining Path. By this time, the reporters had turned and left the ghost vessel and Bokasa's [Noriega] latest phantasmagoria. However, in the meantime, someone in government circles must have become aware of the blunder, because yesterday's MATUTINO carries the version that the war material (anyone who knows something about these things must wonder what guerrillas, no matter who they are, need heavy trucks for) was indeed headed for the contras. Still, they want to downplay the blunder: Although the weapons were manufactured in the GDR, a Miami company bought them for the contras. However, they did not explain why this company sent them to Nicaragua via El Callao port, Peru.

Arms for Regional Guerrillas

PA200140 Madrid EFE in Spanish 0017 GMT 20 Jun 86

[Text] Bogota, 19 Jun (EFE) -- Nicaraguan Alfonso Robelo, leader of ARDE, said today that a shipment of Soviet weapons that were confiscated yesterday in Panama were destined for the leftist guerrillas in Peru or Colombia. Yesterday the Panamanian authorities seized the Danish ship Pia Vesta, which was carrying military trucks, rocket launchers, ammunition, and 3,000 Soviet-made machineguns from the GDR to Peru.

During a telephone interview from Washington with the Colombian radio network CARACOL, the anti-Sandinist leader said that "the fact that these may be new Soviet supplies for the enemies of democracy should be no surprise."

"The reports that have circulated here indicated two possible destinations: the Central American guerrillas, in which case I don't know if it was the Salvadoran guerrillas or South American guerrillas, which may be the Peruvian or Colombian guerrillas. I would say that, in this case, it was South America," Robelo said. Robelo said that "the Sandinists have been openly receiving large quantities of armaments and ammunition from the Soviet Union during the last few days," and expressed optimism about the approval of the funds for the "contras" by the U.S. Congress.

On his part, Jorge Eduardo Ritter, Panamanian ambassador to Colombia, said today that there has been no official explanation yet about the shipment of Soviet weapons that was seized yesterday by his country's authorities from a Danish-flagship. "Although there is no official explanation yet about the destination of the weapons, it is a falsehood to state that the weapons arrived in Panama to be sent to another country later," the Panamanian diplomat said to the Colombian Radio Group [Crupo Radial Colombiano]."

The Panamanian ambassador asserted that in the weapons black market "it is really impossible to determine without an in-depth investigation what the destination of the weapons was or who purchased them. The categorical fact is that, despite our limitations, we managed to seize them and brought out the fact."

COSTA RICA

POLICE FIND ARMS CACHE NEAR NICARAGUAN BORDER

PA190402 Madrid EFE in Spanish 2325 GMT 18 Jun 86

[Text] San Jose, 18 Jun (EFE) -- It was officially reported today that Costa Rican rural policemen discovered a clandestine weapons cache near the border with Nicaragua, possibly belonging to a group of anti-Sandinists. Rural Police spokesmen said during a press conference today that the weapons cache was found yesterday at the EL Encanto farm, a few kilometers from the Nicaraguan border and about 400 km from this capital.

Due to statements by local residents and the friendship between the owner of the farm, Miguel Orozco Reina and Fernando "Negro" Chamorro, authorities feel that the arms were destined for an anti-Sandinist group supported by the United States. "Negro" Chamorro heads an anti-Sandinist organization that is a member of the Nicaraguan Opposition Unity, UNO, which recently increased its size with troops who fought in the south of the country under the leadership of now ex-guerrilla Eden Pastora.

Jorge Solano, Rural Police director, said that the weapons cache includes 150 1918 Mauser rifles, 8 machine guns, 30 U.S. - and Swedish-made mines, mortar shells, antiaircraft ammunition, very high-power explosives, and other supplies and ammunition. According to the authorities, these weapons were kept for training. For this reason, the police are also looking for camps where recently enlisted contras might be hiding.

LA NACION ASKS SUBSTANTIATION OF NORIEGA CHARGES

PA191351 San Jose LA NACION in Spanish 15 Jun 86 p 14a

[Editorial: "The Truth Prevails"]

[Text] THE NEW YORK TIMES accusations against Panama's strong man, General Manuel Antonio Noriega, are too serious for them to be dismissed in the regional geopolitical context. Those accusations are not the first charges presented in and outside the neighboring country against the apparently all-powerful general who, according to the New York paper, leads the country with the same impunity that a corrupted farm owner would use to run his farm.

The unusually harsh and long attack caused profound concern in Costa Rica due to the neighboring situation and the numerous ties we maintain with Panama. It is extremely serious to assert, as the prestigious U.S. paper does, that Noriega is linked to the trafficking of drugs and weapons, as well as to consider him the brain behind the murder of political opponent Hugo Spadafora. That paper also accuses Noriega of being a double agent who passes on information from Nicaragua to the United States, as well as restricted technological information to Cuba and other socialist countries. However, THE NEW YORK TIMES did not furnish any proof, and based its charges on statements made by anonymous high ranking officials of the White House and the U.S. Department of State.

While all this takes place, Panamanian President Eric Delvalle and other Panamanian government officials close ranks to support the general, who is under fire, and demand the Reagan administration define its position regarding the paper's accusations.

Thus, in view of the seriousness of the charges, it is imperative for Washington to hold urgent conversations with its diplomatic officials accredited in Panama to make a detailed examination of the accusations and proceed to a revision of its relations with Panama in case those accusations are true. That is the action to take for the sake of the region's soundness and the security of the Central American nations. The fact that activities such as drug trafficking and arms smuggling are taking place in such a disturbed area as the one in which Panama is located makes it necessary to carry out a detailed investigation of the reports presented by the U.S. House of Representatives Subcommittee for Western Hemisphere Affairs.

Besides emphatically denying the accusations presented against him, Noriega said that all of them originate in a discrediting offensive organized by opposition groups aimed at preventing the Panama Canal from returning to Panamanian hands in 1999. At the same time, Noriega made a veiled threat that those sectors were forcing the Panamanian military men to "abandon the barracks." This should be correctly interpreted as meaning the military abandoning their quarters and taking action. In this situation, we will have to await the development of the events, and expect the truth to prevail for the well-being of our neighbors and all those nations that somehow or other maintain close ties with Panama.

If the reports were made by officials of the Reagan administration as THE NEW YORK TIMES asserts, then the Reagan administration must be more specific for the sake of the soundness and morals of the hemisphere.

EL SALVADOR

FMLN ATTACKS 3D INFANTRY BRIGADE IN SAN MIGUEL

Coprefa Report

PA191633 San Salvador Domestic Service in Spanish 1600 GMT 19 Jun 86

[Coprefa report]

[Text] The 3d Infantry Brigade has suffered a terrorist attack. At approximately 0500 this morning, terrorist FMLN groups attacked with mortar and rifle fire the 3d Infantry Brigade, with headquarters in San Miguel. According to initial reports, the military installations -- especially the barracks where the soldiers were sleeping at the time -- were damaged.

Brigade Commander Colonel Miguel Antonio Mendez has said that this attack is nothing but a propaganda move in the desperate struggle for power that the terrorist leaders of the FMLN-FDR are waging. The combat went on for several hours, because once a counterattack operation was established military units pursued the rebels.

The press committee will be giving details on the situation at the 3d Brigade later.

Officials Discuss Incident

PA192126 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 19 Jun 86

[Report on news conference by Defense Minister Eugenio Vides Casanova and Colonel Miguel Antonio Mendez, commander of the 3d Infantry Brigade with unidentified reporters]

[Excerpt] Several national and foreign journalists arrived early this morning to obtain authorization from Commander Mendez to visit the site and inspect the damage caused by the numerous impacts caused by 81-mm and 90-mm mortars during a cannon attack that lasted approximately 2 hours shaking a large part of San Miguel Department, particularly the area where the 3d Infantry Brigade is located. As I said, dear listeners, there was constant movement in and out of the helicopters, but the situation was calm. However, the relatives of the soldiers were worried and wanted to know if they were alive, dead or wounded.

In any event, as the situation normalized, helicopters were sent to the northern part of (Singalpique) to pursue the guerrillas. No less than 200 guerrillas had attacked the 3d Infantry Brigade's installations at midnight. The greatest damage was caused by mortars that, according to reports, were fired from a distance of 2 km and landed on the barracks.

[Begin recording] [Vides Casanova] In the first place, I want to inform you that I have personally appeared here at the 3d Infantry Brigade [installations] to inspect the damage to the installations and injuries suffered by the personnel and at the same time to verify the results of the defense actions launched by the 3d Infantry Brigade. I have met with the commander of the brigade and we have reviewed the counterattack plans that are currently being implemented. For obvious reasons, we cannot point out the various places in which we are carrying out searches.

After our review of all circumstances, I congratulate the personnel of the 3d Brigade for the manner in which they have organized the defense of the installations. I wish to tell you that this is an attack like the ones we have undergone on other occasions. It was an attack at night against sleeping personnel. We know that this is the way the insurgents operate and will continue to operate. Every day we are trying to make improvements to minimize the effects of these types of actions.

Please be assured that the morale of the officers and troops of the 3d Brigade is very high. Although we deplore the fact that there have been deaths and wounded -- about which your commander will provide details -- we feel that the morale of the personnel is high. The Armed Forces are committed to continue struggling professionally in the length and breadth of the country and this convinces us once more that we must definitely eradicate the subversive elements, because even though their number is small they can always cause casualties of this type with their treacherous attacks.

This is our job. We are not worried about the casualties but we are indeed concerned over their relatives and the cowardly manner in which the guerrillas carry out these attacks. However, you must not have the slightest doubt that we will show them once more the Armed Forces' capability. As I said, we are going to redouble efforts throughout the country and pretty soon we will have the joy of seeing our homeland at peace again, particularly respecting the democratic atmosphere in which we are currently living.

[Reporter] Colonel Mendez, can you talk to us about the results of this attack and the counterattack by the Army [words indistinct] among the ranks of the leftists?

[Mendez] Regarding the action, it lasted approximately 2 hours -- from 0000 to 0200. There was shelling with mortars, which was why we sustained some casualties, both dead and wounded. As of this moment, we have counted approximately 50 casualties -- dead and wounded -- and, as far as we have been able to determine thus far, the casualties suffered by the terrorists total 19. We found that all of them had their hair shaved off and were wearing blue pants and green shirts. We are also engaged in pursuit operations involving units not only from the 3d Brigade but from other support units. The Coprefa will have a report on this later.

[Reporter] Colonel Mendez, how did the guerrilla elements manage to (?penetrate the defense ring) and attack the 3d Brigade?

[Mendez] In this regard, we have repeatedly said that the subversives are experiencing critical times insofar as the size of their forces and organization are concerned but that they still have the capacity to concentrate some elements and carry out these types of actions. Therefore, specifically answering your question, the subversion in our counry still has the capacity [words indistinct] to concentrate forces in specific areas and to carry out an action like tonights's.

[Reporter] It has been reported that some mortar shells hit some barracks where soldiers were sleeping. How many barracks were damaged, Colonel?

[Mendez] Yes. They hit some dormitories where there were some personnel who were not out on missions or operations. A total of four barracks were damaged, mainly their roofs.

[Reporter] It has been said that some of the guerrillas entered the installations. Is it true or not?

[Mendez] Yes. Probably all of the bodies, the 19 bodies of subversives we have at this moment, belonged to those who entered. We found them dead inside the brigade installations.

[Reporter] About how many guerrillas entered the installations?

[Mendez] I could not say.

[Reporter] [Word indistinct] you the number of the FMLN elements who carried out this attack?

[Mendez] I cannot give you a figure because, logically, I don't know. However, later on, when we get more intelligence data, we will probably be able to give you one.

[Reporter] Col Mendez, according to unofficial details circulating in San Salvador this morning, the Army suffered approximately 50 dead and 100 wounded. Is that true?

[Mendez] I gave you the data before.

[Reporter] Colonel, there are also reports of an attack on the plants at (El Batallal). Is there any truth to this?

[Mendez] It is false.

[Reporter] As for the civilian population, there have been reports of dead and wounded.

[Mendez] We have sent an officer to all houses in the sector north of the brigade's installations to determine if any of the mortars fired by the subversives caused property damage or personal injuries. I have not received a report yet.

[Reporter] Colonel, Radio Venceremos is announcing that [words indistinct] tomorrow and that this is the beginning of the "Yaneth Samour" operation. Can you comment on this?

[Mendez] Look, this talk that this will be the beginning of the "Yaneth Samour" operation is the subversives' problem. With regard to the strike; this is nothing new, because last year we had 14 strikes and we have already had approximately (?5).

[Reporter] [words indistinct] on the roads?

[Mendez] Well, we will determine this in due time. However, logically we are not going to deploy too many forces along the roads but just enough to guarantee free transit for the people and to continue the operations we have already planned.

[Reporter] Mr Minister, did the Army's intelligence services detect this action in time and, if not, what happened? In the second place, has the president's dialogue proposal suffered any alteration because of this new action by the guerrillas?

[Vides Casanova] Yes, there were some clues, but in other areas. Normally, the enemy almost always provides some clues to confuse us and then assumes an attitude contrary to the clues. Logically,this is done to confuse us. As for the matter of the dialogue, I do not think this will be an obstacle. The president has his role, which is to seek the country's pacification and unity. The Armed Forces support him in this position and, logically, we have our own constitutional responsibility, which is to defend the country. These are two different aspects about which the president will take political action, and the Armed Forces will support this political action in order for him to seek the country's pacification with all possible means.

[Reporter] In addition to this, Mr Minister, they downed 22 towers in the areas of Mercedes Umana, Chinameca, and El Triunfo of Jucuapa. Does this mean that the [word indistinct] substation will be operating at a much lower capacity? Since you have to deploy personnel along the highways and then send others to help with repairs, you will have to multiply your forces. Does this mean you will be sending personnel from San Salvador?

[Vides Casanova] Not necessarily. I think we have enough personnel in the area to put up the towers. Logically, this takes up some of our time. This demonstrates to you once more that the subversives are aiming their attacks directly at the population. The barracks normally have their own electric plants. We do not suffer directly from the lack of electric power.

The ones who suffer because of it are the people, the poor people in the marketplaces who have meat to sell on [specific] dates and whose fish rots. This is precisely what has deprived the subversion of any acceptance or support from the population. They are demonstrating daily that they are acting against the population.

The strike that has been announced for tomorrow is another instance that demonstrates that the subversives are acting against the population by violating their freedom of transit. They talk a great deal about freedom but destroy the vehicles of humble people, of taxi drivers and bus owners to whom they deny the right to work. And yet they talk about sources of employment and what not. Therefore, we are going to continue struggling with all of our means to keep these people from acting against the population.

[Reporter] Col Mendez, could you tell us, in military terms, what is the minimum number of men required to attack a military installation of this kind?

[Mendez] Well, the minimum number...

[Reporter, interrupting] Colonel, since you cannot give us the minimum number of terrorists that entered the installations, could you at least tell us, according to military theory, how many are needed to carry out an attack of this magnitude?

[Mendez] Well, to carry out this kind of attack, it is not possible to say exactly, 10 or 100 could carry out this kind of attack.

[Reporter] General, are we going to have access to the places where the attacks took place?

[Vides Casanova] I do not believe so. Experience has taught us that sometimes we should not permit people to take pictures of military installations, and you know better than we where these films end up. This is one of the lessons we have learned. One way or another, you will find out, hire a plane, see the situation, you will actually see what has happened, you will see that the number of installations we have mentioned to you is the truth. However, experience has taught us, and you know that sometimes we have seized films, where the pictures of the installations have been very useful to the subversives. Therefore, we believe we will not permit access.

[Reporter] [Words indistinct] that deserters may have used information?

[Reporter, interrupting] [Words indistinct] just at the time when the preparations for the dialogue are taking place, how do you view the relation between the two?

[Vides Casanova] Subversion has been militarily beaten during these past few months, you are aware of this, have confirmed this, know this, obviously, in order to have an image to present at the dialogue the guerrillas will try to carry out actions of this nature. Internationally, the news of this attack on a brigade will be [words indistinct] will be in the news, although to do this, all they had to do was launch mortars from a distance of 4 km because the major part of the attack was perpetrated this way. However, it is a news item, and they will try to attack another installation. We will try to avoid further attacks. You know that many subversive attacks which have taken place lately have not succeeded. But it is easy, especially during the night, as Col Mendez has told you, to aim a mortar at a fixed position and fire.

[Reporter] Col Mendez, we...

[Reporter, interrupting] ... Some reports anticipate, in a general manner, that they will continue these types of attacks during the days prior to the new talks.

[Vides Casanova] You have noticed that every time there has been a dialogue their procedure has been the same? They always use the days before the dialogue to deal a blow and win international recognition. They use the time of the dialogue to mobilize forces to other places, and later they take advantage of the dialogue to try to deal a new blow. Even though those significant actions last only a short time, they still give the rebels the image that they are truly strong militarily.

[Reporter] Is there any [word indistinct] within the Armed Forces which could endanger the talks, vis-a-vis the pattern that really exists? Every time there is a dialogue, the rebels intensify their military actions?

[Vides Casanova] The Armed Forces have matured a great deal in regard to democracy, human rights, and dialogue. I think that, as Winston Churchill said, we should not fear dialogue, and we should not hold dialogue because of fear. The things to know is what things should be discussed, and what are our limitations from the constitutional point of view, and once we are in agreement with the constitution, there are no impediments to the dialogue.

[Reporter] General, Col Mendez, what are the possibilities that members of the guerrilla movement, or deserters of the 3d Zone furnished exact information on the location of the installations?

[Vides Casanova] According to the reports we have, some of the shots hit exactly where the troops slept. It is not difficult. You can see the brigade from almost any vantage point. On the other side, there are small hills from where anyone in the installations can be seen perfectly without having any previous information. Logically, the subversives always try to have some infiltrated units who furnish information, and that is also possible. But for an attack of this kind, that information is not needed.

[Reporter] Col Mendez, from 1900 to 2000, did the 3d Infantry Brigade fire any cannons and mortars? We heard those shots here in San Miguel, toward the northern part of San Miguel. The guerrillas were supposedly coming from that end.

[Mendez] No, what you heard were the shots of the night shooting training we have at the rifle range located next to the brigade installations.

[Reporter] Col Mendez, some of the residents of the area said that even though the attack was very short if compared to the one in 1983, they felt it was stronger. Since you lived through the two attacks, how would you compare this attack to the larger one in 1983?

[Mendez] Look, unfortunately, I was not here for the 1983 attack, but I understood that according to the fire from the subversion, and the one from our rifles, helicopters, and units, let us say that, I think the 1983 attack was as strong as it had to be.

[Reporter] Why did the helicopters start flying at 0200, that is to say 2 hours later?

[Mendez] The reason is that it was at that time that we fired back with those units. We did not think it advisable to use the helcopters before because fire was falling on the installations, and it proved to be a good decision because none of the pilots or choppers were damaged.

[Reporter] It was said that an officer was killed? Is that true?

[Mendez] False.

[Reporter] [Words indistinct] of the FMLN?

[Mendez] It is not known.

[Reporter] Do you know where they come from?

[Mendez] We do not know, but based on several reports we have, we believe they came from the eastern part of Morazan Department, that is where they could have gotten some units who participated in the attack.

[Reporter] [Words indistinct] U.S. advisers?

[Mendez] We have permanent advisers in the brigade.

[Reporter] [Question indistinct]

[Mendez] I cannot give you that information at this time.

[Reporter] Are they permanent in the brigade.

[Mendez] I cannot give you that information either.

[Reporter] Did some women of the Tigres Battalion die? Is that true or not?

[Mendez] Yes, we have some women who unfortunately died in the attack. They were part of the Tigres Battalion.

[Reporter] Did any of the installations catch fire? Is that true or not?

[Mendez] This is false. None of the installations caught fire. What we did was to call the firemen in order to neutralize any fire possibilities, but we did not need them.

[Reporter] How did the Arce Battalion help you?

[Mendez] Well, the Arce Battalion fulfilled the mission assigned to it for this type of situation.

[Reporter] How many women of the Tigres Battalion died?

[Mendez] Four.

[Reporter] We understand that they were the most experienced ones. They had been in the battalion for 3 years?

[Mendez] All of them were experienced.

[Reporter] What is the function of that battalion?

[Mendez] At the present time.... [changes thought] It is not a battalion, but a unit which accomplishes health functions. They were nurses.

[Reporter] One last question for Col Mendez. The mothers are very sad. Do you have a message for them?

[Mendez] Well, only that they should be proud because their sons died fulfilling their missions.

[Reporter] Well, thank you very much. We thank the minister of defense and the commander of the 3d Infantry Brigade, who kindly granted us a news conference in which they reported that there were approximately 50 casualties. They also gave us some details regarding the beginning of the attack, which started in the area of (Singalpique) that is the north side of the 3d Infantry Brigade installations, on the route to Morazan Department.

According to the reports we have, the rebels challenged several Army positions during the night. Those positions usually guard the outskirts of San Miguel, but they did not fire back. It was also reported that many soldiers are fighting in northern Torola, so that in those positions in San Miguel there were only an average number of recruits, and others who had had combat experience. In any case they did not have much to do, except to contain the rebels, and the rebels who succeeded in entering were killed by the soldiers who were deployed around the garrisons and the 3d Infantry Brigade installations.

This was a report put together at the scene of the incident. [end recording]

FMLN CALLS FOR TRANSPORTATION STRIKE 20 JUNE

PA191944 (Clandestine) Radio Venceremos in Spanish to El Salvador 1830 GMT 19 Jun 86

[Text] Attention, Salvadoran people. We have important information. Pay much attention:

The General Command of the FMLN hereby orders a nationwide transportation strike effective on the early hours of tomorrow, 20 June. The national strike will be in effect on all the main and secondary roads of the country. We call on all our guerrilla units throughout the national territory to most strictly enforce this order from the FMLN General Command. We urge transport people to obey this new order for a national transportation strike -- another blow against the war economy of Duartism, the Duartism that the people reject, that attacks factories, that captures and kills, the best children of the people. Viva the new national transportation strike!

All our guerrilla units will strictly obey the order to enforce a national transportation strike on all of the country's roads as of the early hours of tomorrow, Friday, 20 June. We live for the struggle and we struggle to win!

GUATEMALA

CEREZO SAYS GOVERNMENT HAS NOT LOST POWER

PA191400 Madrid EFE in Spanish 2231 GMT 18 Jun 86

[By Mario Rolando Sierra]

[Excerpt] Guatemala City, 18 Jun (ACAN-EFE) -- President Vinicio Cerezo today stated: "My government has not lost power. On the contrary, it has become consolidated. However, I do not use all this power because I would then be turning into a dictator."

The Christian Democratic leader said that "I have the people's support. Therefore, it cannot be said that I have lost power." He was referring to a "nongovernmental U.S. opinion according to which I have only 70 percent of the power."

"A democratic president who held 100 percent of the power would not be democratic. He would be a dictator instead," the Guatemalan president said. In view of various opinions that "he does not hold power, but that it is being held by the military," Cerezo noted: "I have a good share of power, but it must be clearly said that power is not something you deliver like a bloc or a gift." He explained that "power is something that increases or decreases in accordance with the people's support and, in this regard, I have their support."

HONDURAS

COMMUNIQUE ISSUED ON CONTADORA PROPOSAL

PA191455 Tegucigalpa EL HERALDO in Spanish 18 Jun 86 p 2

[Press communique issued by the Honduran Foreign Secretariat in Tegucigalpa, dated "June 1986"]

[Text] After analyzing the documents delivered to the Honduran Government by the Contadora Group at the joint foreign ministers' meeting held in Panama City on 6 June, the Honduran Foreign Secretariat informs the national public of the following:

1. In the opinion of the Honduran Government, the latest draft of the act proposed by the Contadora Group does not establish reasonable and sufficient obligations to guarantee its security.

2. At that meeting the Contadora Group said that the draft document was the group's last mediating effort regarding the act's substantive aspects. However, it added that the group would continue to be available to collaborate in the negotiations of the cooperative and practical aspects.

3. The Honduran Government reiterates its willingness to continue exploring new formulas that will effectively guarantee the legitimate interests of all the states and to contribute in any other efforts aimed at achieving the internal pacification and national reconciliation in some of the states, as well as maintaining peace and consolidating democracy in Central America.

Tegucigalpa, D.C., June 1986

Information and Press Directorate, Foreign Relations Secretariat

GOVERNMENT TO REPATRIATE NICARAGUAN REFUGEES

PA191644 San Pedro Sula TIEMPO in Spanish 18 Jun 86 p 5

[Text] Tegucigalpa -- The Honduran Government will implement a program for the massive repatriation of Nicaraguan refugees as requested by Nicaragua, it was officially announced yesterday. Since the Sandinists took power in 1979 up to this date, approximatey 50,000 Nicaraguans have emigrated to Honduras including some 20,000 Indians from the Atlantic Coast.

Colonel Abraham Garcia Turcios, coordinator of the government's National Refugee Commission, said that "at the request of the Sandinist government, a three-party commission will be created to (promote) a voluntary repatriation program." "Voluntary repatriations are taking place, but with the program it could be done on a larger scale," Garcia Turcios added. Approximately 505 Nicaraguan Miskito Indians returned to their country between January and 30 May of this year, he said.

Garcia Turcios said that the first meeting of the three-party commission made up of representatives from Honduras, Nicaragua, and the UN High Commissioner for Refugees (UNHCR) will take place in the next 2 weeks, in order to sketch the plan for mass repatriation. Garcia Turcios recalled that Honduras and the UNHCR are also part of a three-party commission with El Salvador which was created to implement a voluntary repatriation program for Salvadoran refugees, which has not functioned.

According to official Honduran reports, El Salvador "has not shown political willingness to implement the repatriation program." Col Garcia Turcios stressed that in the case of the Nicaraguan refugees, the Sandinist government proposed the repatriation plan.

According to a written report issued by the UNHCR, there are currently 48,500 refugees in Honduras, of which 28,000 are Nicaraguans, 20,000 Salvadorans, and 500 Guatemalans. In addition, Garcia Turcios confirmed that dozens of thousands of Nicaraguan refugees who are not under the protection of the UNHCR live in small agricultural projects on the eastern border in El Paraiso. Those refugees -- who based on the most conservative estimates number at least 30,000 -- are the ones that according to THE MIAMI HERALD have created a "new Nicaragua" in Honduran territory.

NICARAGUA

OFFICIAL SAYS USSR AN-30 USED FOR CARTOGRAPHY

PA192132 Madrid EFE in Spanish 2044 GMT 19 Jun 86

[Text] Managua, 19 Jun (EFE) -- The Nicaraguan Government denied today that it has a Soviet spy plane for detecting the movements of the counterrevolutionaries in the mountains of Nicaragua. Alejandro Rodriguez, director of the Nicaraguan Institute of Territorial Studies (Ineter), explained that the Soviet plane is an AN-30 used to take aerial photographs to make maps.

During a news conference held at the Augusto Cesar Sandino Airport in this capital, Rodriguez said that in this way, "he was definitely denying" what the Reagan administration had reported in regard to the USSR giving Nicaragua a highly sophisticated spy plane. Rodriguez said that the twin-engine plane, which has a reserve engine, arrived last May, but because of cloudy weather has taken only a few photographs along the Pacific coast. Rodriguez denied that the plane, equipped with special cameras, is being used for military purposes. "The contract signed with the USSR specifically establishes that the plane should be used only to take photographs to make maps," Rodriguez said.

CASTRO DISCUSSES REVOLUTION, FREEDOM, EXILES

PM191111 Paris LE FIGARO MAGAZINE in French 14-20 Jun 86 pp 118, 120

[Interview with President Fidel Castro by Patrice Barrat; date and place not given]

[Text] FIGARO: Why do people think that you were not originally a communist?

Castro: I was not a communist when I was born. I was not a communist when I was 12; I was not a communist when I was an adolescent. I was not a communist when I studied in a Jesuit school. When I did my university studies, when I came into contact with reality and with Marxist-Leninist literature over a relatively short period of time, but one which lasted several years, I found a concept of the world and an interpretation of the world and I really became a communist when I was a student.

Moreover, I think that in the modern world you cannot be a revolutionary without a Marxist-Leninist concept of society and history, and I have regarded myself as truly revolutionary since I had the privilege of coming into contact with Marxist literature and have been able to develop a socialist and communist conviction which I have not abandoned and will never abandon.

FIGARO: In 1959 you made a statement in the United States that was regarded as totally anticommunist.

Castro: The United States wanted us to make a strategic and tactical error and proclaim a doctrine as a communist movement. In fact, I was a communist. However, the revolution was not communist in 1959. The revolution was a social revolution, a national liberation movement that put forward a very advanced program, but at that time it would have been premature to proclaim that the revolution was socialist and Marxist-Leninist because it was not at that time. However anybody who carefully reads "History Will Acquit Me" and the Moncada program can appreciate that it is socialist thinking that guides the man writing those lines.

It undoubtedly contains very advanced socialist thinking. Anybody who tried to understand would understand that. But we did not proclaim a socialist program...

I was a socialist. I was not a Marxist-Leninist, but I think that a good Marxist-Leninist would not have proclaimed a socialist revolution in the conditions that existed in Cuba in 1959 I think I was a good Marxist-Leninist in not doing that, and when we did not make known our underlying beliefs. What the United States wanted was to judge, to know what we thought, and we did not want to allow ourselves to be maneuvered or manipulated by it. I think it was an excellent thing that we did not proclaim the Marxist-Leninist or socialist nature of the revolution at the time.

FIGARO: What is your concept of freedom?

Castro: I believe there is a revolutionary freedom, and that is our freedom. There are other freedoms that are bourgeois. It is difficult for me to talk about bourgeious freedom to a European because bourgeois freedom arose in Britain, France, and all those countries. You talked of "Liberty, Equality, Fraternity." I think that our society is in fact the only one that can speak of equality because you cannot talk of equality if you compare a millionare with a beggar...

FIGARO: Since the Cubans have achieved equality, could you not give them more freedom in the European sense of the word?

Castro: Bourgeois freedom? No. We have two different concepts of freedom. The Europeans have one concept, and we have another. These two societies, capitalism and socialism, do not bear any resemblance to each other. Their political ideas, their concepts of freedom, equality, and justice are very different; you are trying to assess a socialist country like Cuba using the European model, but we cannot accept you judging us in that way.

FIGARO: What do you have to say to those who are already in exile and those who want to leave?

Castro: I hope that those who have gone into exile profit from their consumer society and their North American nationality after abandoning their homeland.

Regarding those who would like to leave, it is not we who are preventing them but the United States that does not want to accept them over there. We are not preventing anybody from leaving. On the contrary, the doors are open.

FIGARO: Before seeing you we were able to meet with Ricardo Bofill. Are you not afraid that he might become another Valladares?

Castro: Ricardo Bofill? He does not worry me. I do not know what he will or will not do. I have no news of his attitude. If you managed to interview him I am very pleased for you. However, the Valladares case is one of the greatest lies of the day. He is a Batista supporter, was a policeman under the Batista tyranny, a terrorist who fought against the revolution who was punished according to the law; and imperialist propaganda turned him into a spokesman and even a poet, although most of the things he wrote were written for him abroad. He became a star, the man who was one of Batista's benchmen, one of Batista's policeman, and a terrorist. That is the kind of hero you create in the West. Valladares does not interest us. Nor does Bofill.

Despite this, we were generous with Valladares because the French Government took an interest in his release. Imperialism now has a spokesman but there are artificial games in face of the reality of history. This does not concern us.

MALMIERCA MEETS WITH SOVIET, CSSR OFFICIALS

FL191545 Havana Tele-Rebelde Network in Spanish 1100 GMT 19 Jun 86

[Text] Paris -- Foreign Minister Isidoro Malmierca has had a very busy schedule of meetings and diplomatic contacts. The foreign minister, who is heading the Cuban delegation to the world conference on sanctions against racist South Africa in the French capital, met with the heads of the Soviet and CSSR delegations to the meeting Adamishin and Stanislav Svoboda, respectively. Malmierca met with both of them individually and discussed matters regarding bilateral relations and analyzed the progress of the ongoing anti-apartheid international conference which opened last Monday [16 Jun].

ICAP PRESIDENT MEETS BURKINA FASO AMBASSADOR

FL191900 Havana Radio Rebelde Network in Spanish 2300 GMT 17 Jun 86

[Text] Central Committee member Rene Rodriguez Cruz, president of ICAP [Cuban Institute of Friendship with the People] met today in Havana with Burkina Faso's ambassador to Cuba Vince Quedraogo. During the meeting, they discussed several topics of mutual interest.

CANADA'S NEW TRADE ASSISTANCE PROGRAM IN EFFECT

FL191821 Bridgetown CANA in English 1804 GMT 19 Jun 86

[Text] Toronto, June 19, CANA -- Government officials in Ottawa have confirmed that the duty-free provisions of Caribcan, Canada's new trade assistance plan for the Commonwealth Caribbean, are now in effect. Caribcan provides duty free access for 99.8 per cent of current exports from the region.

Caribbean diplomats here say that while they are hoping that the new plan will result in an improvement in the Caribbean trading position with Canada, they do not expect a flood of new regional products on the market.

The region is concerned about the exclusion of products such as garment and footwear from duty-free entry under Caribcan. In a communique issued last January, the Department of External Affairs had noted that free entry of products excluded would adversely affect certain sensitive economic sectors in Canada. This was taken as a reference particularly to the textile and clothing industries.

Confirmation that Caribcan was in effect from last Sunday was made without fanfare. Up to today, no press release on the subject has been issued. As one Caribbean diplomat noted, the event seems to have been overshadowed by current Canada/U.S. free trade negotiations.

BARBADOS

IMPROVED RELATIONS SOUGHT WITH CUBA, U.S.

FL181636 Mexico City NOTIMEX in Spanish 1415 GMT 18 Jun 86

[Text] Mexico City, 18 Jun (NOTIMEX) -- Recently, the new Government of Barbados, which assumed power after an overwhelming victory in the general elections held 2 weeks ago, indicated that it wishes to have good relations with all countries based on mutual respect and at no cost to its sovereignty.

The United States and Cuba are among the countries with which Prime Minister Errol Barrow's Social Democrats wish open, sincere relations and cooperation.

The Barbadian foreign minister stressed that Barbados will not be a base for hostile actions against other countries, as happened during the previous government when Barbados served as a U.S. base for aggression against Grenada.

During the [Democratic] Labor Party's rule, relations between Bridgetown and Havana were cold, which was not the case during the previous government of reelected Prime Minister Errol Barrow. In 1975 Barbados loaned its airports to Cuban airplanes for technical landings. The planes were transporting soldiers to Angola. The air route between Havana and Luanda from Barbados brought pressure from Washington and contributed to the defeat of Barrow and his party in two general elections.

DOMINICA

PRIME MINISTER CHARLES MARKS OECS ANNIVERSARY

FL191928 Bridgetown CANA in English 1909 GMT 19 Jun 86

[Text] Roseau, Dominica, June 19, CANA -- Dominica's Prime Minister Eugenia Charles says the most important lesson that the OECS has learnt during its existence has come out of its involvement in the U.S.-led invasion of Grenada which led to the restoration of constitutional government.

Charles remarks were made on local radio to mark the fifth anniversary yesterday of the signing of the Treaty of Basseterre which set up the OECS (Organisation of Eastern Caribbean States).

The Dominican prime minister was chairman of the OECS during 1983 when, on behalf of the organisation, she approached Caribbean leaders and the United States Government for assistance to send troops into Grenada following a palace coup in which Prime Minister Maurice Bishop and other cabinet ministers died.

Charles said the events showed that we (the OECS) were already on the path where we understood each other's needs and were prepared to stand up for each other. I think this is the lesson that has come out strongest throughout the last five years -- that we are comfortable with each other....we know we have various differences....but we understand each other's point of view and we are able to live in harmony with each other recognising our differences, she added.

She also said that during the five-year period the organisation had made great strides in ensuring that the islands bought from each other, and there was no duplication in their activities in trade and industry. Charles expressed the hope that the seven-nation grouping would have more joint services.

HAITI

STUDENTS STRIKE, DEMAND OFFICIALS' REMOVAL

FL191617 Bonaire Trans World Radio in English 1130 GMT 19 Jun 86

[Text] About 600 students of the University of the State of Haiti staged a sit-down strike at the school of medicine to press demands for the removal of two top government officials in the interim military-civilian government. The students, who have stayed away from school since the 5th of June, are demanding the ouster of Finance Minister Leslie Delatour and Interior Minister Colonel Williams Regala, who is also a member of the ruling three-man junta.

DAILY REPORT
CONTENTS

Latin America

Vol VI No 120 23 June 1986

ARGENTINA

Caputo Says No Preconditions to Falklands Talks B 1
Caputo Comments on Contadora, Foreign Debt B 2
Peruvian Vice President Arrives on Visit B 3
Judge Dimisses Charges Against Coup Suspects B 3
  [BUENOS AIRES HERALD 19 Jun]
Sixth Devaluation of Austral Announced B 4
  [BUENOS AIRES HERALD 19 Jun]
Ubaldini Wants To End Legal-Economic Aggression B 4
  [BUENOS AIRES HERALD 19 Jun]

BRAZIL

Syria's Al-Zu'bi Meets With Congressional Officials D 1
  [Damascus]
Envoy Says Confidential Documents Stolen D 1
Iraq To Purchase 250 New Cascavel Tanks D 2
  [O ESTADO DE SAO PAULO 19 Jun]
Briefs: New Armored Vehicle Tested D 2

CHILE

Pinochet Speaks on Plebiscite, Other Issues E 1
Student, Teacher Demonstrations in Santiago E 2
  110 Teachers Arrested E 2
  Further Arrests Reported E 2
  Catholic University Watched E 2
  Torture of Students Alleged E 2
  Students' Release Ends Protest E 3
  Troops Arrest 5 Leaders E 4
Police Break Up Women's Demonstration E 4
Government Releases Draft Congress Law to Public E 5
Cuadra Says Elections 'Not the Only Means' E 5
AD Calls for Free Elections to End Violence E 6

COLOMBIA

FARC Doubts M-19 Planned Attack on Minister F 1
Charges To Be Presented Against Betancur F 1
Defense Minister Refutes EL PAIS Charges F 2
Government Refuses To Return 8 Nicaraguans F 3
Government to Negotiate Coffee Exports to PRC F 3

PARAGUAY

Editorial Opposes Rapprochement With PRC H 1
  [HOY 18 Jun]
Radical Meeting, Laino's Return Banned H 2

PERU

Further Reportage on Prison Uprisings, Reactions J 1
  Armed Forces Communique J 1
  War Minister on Situation J 1
  Death Toll at 300 J 3
  Mass Graves Reported J 4
  Executions Alleged J 5
  Government Admits Excesses J 5
  Military Probe Ordered J 5
  2,000 Suspects Arrested J 6
Bomb Blast Damages Honduran Consulate in Lima J 7
Car Bomb Explodes in Lima Business District J 7
Guerrillas Derail Train, Attack APRA Offices J 8
Ship Apparently Unloaded Arms for Guerrillas J 8
Police Confiscate 19 June EL NUEVO DIARIO J 9

VENEZUELA

Consalvi 'Annoyed' with Senator Helms' Statement L 1
Norwegian Prime Minister Meets Energy Minister L 1
  Holds Press Conference L 1
  Cancels Peru Trip L 2

MEXICO

USSR's Gorbachev Reportedly To Visit 'Next Year' M 1
Editorial Strongly Rejects Helms' Statements [UNOMASUNO 18 Jun] M 1
Foreign Secretariat Notes U.S. Criticism of Helms M 2
Foreign Secretary on Policy of Nonintervention M 2
Finance Secretariat Appointments Reported M 3
Sovereignty Priority of Geneva GATT Talks M 3

PANAMA

Conflicting Reports Continue on Confiscated Arms N 1
U.S. Denies Charges 'Instigated' by Government N 1
Opposition Leaders Call for Noriega's Removal N 2
  Calderon Speech Criticized [CRITICA 20 Jun] N 3
Chiriqui Board Demands Noriega's Removal [LA PRENSA 21 Jun] N 3
Students Demonstrate, Demand Economic Solutions [EXTRA 21 Jun] N 4

CENTRAL AMERICA

COSTA RICA

Madrigal Discusses Conditions for Contadora P 1
PLN Delegation Named for SI Congress in Peru [LA PRENSA LIBRE 17 Jun] P 2

EL SALVADOR

Rebel Leaders, Rivera y Damas Meet on Talks P 2
    Duarte Comments P 2
    FDR-FMLN Communique [Venceremos] P 3
Duarte Discusses Economic Policy, Dialogue P 4
Further on Rebel Attack on 3d Infantry Brigade P 5
    Vides Says Assault Expected P 5
    Duarte: Dialogue Intact P 6
    1st FMLN Communique [Venceremos] P 7
    2nd FMLN Communique [Venceremos] P 9
Honduras Sanctions Operations on Disputed Border P 10

HONDURAS

Lopez Contreras Discusses Response to Contadora [LA PRENSA 20 Jun] P 11

NICARAGUA

Foreign Ministry Replies to Contadora P 12
Defense Ministry Reports Capture of U.S. Citizen P 14
IRNA Reportage on Iranian Delegation's Visit P 14
    Delegation Arrives P 14
    Foreign Minister Meets Tinoco P 14
    Meeting With Nunez P 15
    Meeting With Ortega P 15
    Foreign Minister Meets Press P 16
    Joint Communique P 17
New Soviet Ambassador Vyalyas Received P 18

CUBA

GRANMA Views Reagan 'Messages' to Cuban People Q 1
Soviet Attaches Comment on U.S.-Soviet Talks Q 1
Cooperation Agreement With Afghanistan Extended Q 1
Malmierca Speaks on South African Sanctions Q 2
Cambodia's Heng Samrin Receives Military Delegation Q 2
Congolese Attache Praises Bilateral Relations Q 2
'Our America' on Honduran Rejection of Contadora Q 2
Catholic Representatives Present Letter to Pope Q 3
12 Reported Killed in Helicopter Collision Q 4

CARIBBEAN

ARUBA

Collapse of Coalition Government Anticipated S 1

DOMINICA

Campaign To Remove Douglas From DLP Continues S 1

HAITI

Students Demonstrate for 3d Consecutive Day S 3

CAPUTO SAYS NO PRECONDITIONS TO FALKLANDS TALKS

PY210022 Madrid EFE in Spanish 1720 GMT 20 Jun 86

[Text] Bern, 20 Jun (EFE) -- Foreign Minister Dante Caputo said here today that his country is willing to engage in a dialogue over the Malvinas Islands with Great Britain without preconditions.

"The problem is whether or not the Conservative British Government is willing to engage in a dialogue. Only in that way will it be possible to reach an immediate solution. Time is on our side, and so are politics and reason," Caputo added.

The foreign minister, who today met with his Swiss counterpart Pierre Aubert for 1 and 1/2 hours, told reporters that he and Aubert discussed the Malvinas Islands issue (Switzerland represents British interests in Argentina), "but above all the problems affecting the Latin American countries, such as the foreign debt and the peace process in Central America."

The foreign minister confirmed that "there are no new developments in the islands' problem, which we expect to solve exclusively through a peaceful, diplomatic settlement."

According to Caputo, the sovereignty issue is principally of a practical nature, because it is impossible to resume diplomatic relations while even the air transportation services between the two countries remain at a standstill.

Caputo added: "Switzerland has been traditionally willing to offer its good offices, however, the solution to this conflict does not depend on this policy but on the British Government's intransigence."

Today, according to the minister, Argentina brought no specific demand to the Swiss authorities but simply discussed the issue. He stressed the significance of the international support for a United Nations General Assembly resolution calling upon Argentina and Great Britain to begin political negotiations on the issue. France, Spain, Italy, and Greece voted for the UN resolution.

Caputo said he is hopful about the support that the British opposition Labor Party has given to Argentine President Raul Alfonsin and mentioned the communiques in which the Labor Party promised to begin negotiations if it wins the elections.

At the top of todays's agenda was the peace process in Central America, "toward which Switzerland has a very clear position, which is something unusual," he said.

Caputo stressed that to write the text of a peace treaty like the Contadora Act (Argentina is a member of the Contadora Support Group) is a complex task, because it must provide the framework for political commitments, "because otherwise there will be no results."

In his talks with Aubert, Caputo emphasized the importance of finding a political solution to the foreign debt problem, "which affects the continent's stability and security." He added: "People like the Argentine people, whose government has decided to repay the debt, are willing to go through a period of sacrifice to build a stable democracy, but sacrifice cannot extend indefinitely without any prospects in sight."

Caputo, who said that it is very difficult to make an accurate forecast on foreign policy issues, said that the Argentine soccer team will defeat the British team, 2 to 1, in the World Cup Soccer game scheduled for 22 June in Mexico.

This is the third time the foreign ministers of the two nations have met since February 1984, when Caputo visited Bern for the first time. At the initiative of the Swiss Government, "rapprochement" talks were held in June 1984, but they failed because London refused to negotiate the sovereignty issue.

CAPUTO COMMENTS ON CONTADORA, FOREIGN DEBT

PY200358 Buenos Aires Domestic Service in Spanish 1600 GMT 19 Jun 86

[Telephone interview with Foreign Minister Dante Caputo, from Geneva, by unidentified reporter; date not given -- live or recorded]

[Text] [Reporter] We are contacting Foreign Minister Dante Caputo. Mr Minister, good afternoon, we would like you to answer the following question:

Tomorrow you will meet with French Prime Minister Jacques Chirac. We want to know if the topic of Contadora will be one of the predominant topics of this conversation.

[Caputo] Yes, certainly it will. This topic has become very important recently, and it is evidently a topic that every day concerns more all foreign ministries throughout the world, both those directly involved in the question and others. In general, the European countries have always paid great attention to this topic, but what really stands out is the way this topic is commanding a predominant place in international politics.

[Reporter] [Question indistinct]

[Caputo] Furthermore, [words indistinct] I arrived from the United States this morning. Of course the conversations there also covered other issues, but the central issue was Contadora and the Central American crisis. My last visit to the United States was last February when the eight foreign ministers of the Contadora Support Group met with Secretary of State Shultz. If we compare the talks held last February and the one we just held we can see a great difference. Contadora is a permanent issue in political discussions no only in the foreign ministries but in political debates in general. I have held at least eight or nine meetings with journalists and I can assure you that Contadora was the main issue.

[Reporter] Foreign Minister, regarding your talks in the United States, there are press reports in Argentina that important progress has been made regarding the economic issue as a result of your meetings. What can you tell us about it?

[Caputo] Finance Secretary Brodersohn and I held a meeting yesterday with a group of bankers in New York. The talk did not cover renegotiation of the Argentine foreign debt. That issue is discussed at a different level. The Economy Ministry is specifically in charge of that sensitive issue. We discussed only the general aspects of the debt such as how to find different paths or formulas that have escaped the conventional approaches.

Of course these talks cannot give immediate results but I would like to point out the special characteristics of the meeting which is unprecedented because the bankers never before included the political aspect in their evaluation of the problem. The meeting was very positive. The evaluation made by Secretary Brodersohn and myself was positive. The meeting was really an opportunity to explore new paths. In this regard the meeting opens a new type of conversation.

[Reporter] [Words indistinct] foreign minister, the reports here in Buenos Aires indicate that Argentina is not going to negotiate with the IMF until Mexico makes a decision, which is expected in the next few days.

[Caputo] I am not aware of the reports circulating in Buenos Aires.

[Reporter] That is precisely what the reports said.

[Caputo] But one thing has nothing to do with the other.

[Reporter] Foreign minister, we are very grateful for this conversation with us in this newscast.

[Caputo] It was a pleasure to talk to you.

PERUVIAN VICE PRESIDENT ARRIVES ON VISIT

PY220131 Buenos Aires TELAM in Spanish 2312 GMT 22 Jun 86

[Excerpt] Buenos Aires, 22 Jun (TELAM) -- Peruvian Vice President Luis Alberto Sanchez has said that three investigations will be conducted in his country to clarify the riots that occurred a few days ago in three prisons at a cost which, unfortunately, was much higher than expected and desired, although he gave no details.

Sanchez made this announcement at Ezeiza airport shortly after arriving in Argentina on a 5-day visit at the invitation of the Buenos Aires National University. He stated that, in addition to the usual investigations carried out by the regional judges, an investigation will also be conducted by the Congressional Permanent Commission, which he presides over, and by the Special National Commission, formed by various institution.

JUDGE DISMISSES CHARGES AGAINST COUP SUSPECTS

PY211110 Buenos Aires BUENOS AIRES HERALD in English 19 Jun 86 p 9

[Text] (DYN-NA) -- Federal Judge Amelia Berraz de Vidal yesterday temporarily dismissed charges against 11 of the 12 civilian and military suspects on trial -- since last October's state-of-siege declaration -- for plotting againt the government.

Fugitive cashiered general Guillermo Suarez Mason has not yet been questioned in the case.

Judge Berraz de Vidal said that while "it would be naive to ignore" the events which provoked the declaration of a state of siege, "it would also be naive to deny" that the wave of threats prior to the 1985 congressional by-elections "obeyed pre-arranged plans, drawn up and executed by an association or group of persons to commit crime."

But she admitted that the "lack" of submitted evidence was an "insurmountable impediment" for investigating the case.

The judge's ruling favours civilians Raul Rivanera Carles, Enrique Gilardi Novaro, Prensa Confidencial journalist Jorge Vago, Rosendo Maria Fraga Jr., La Prensa Journalist Daniel Horacio Rodriguez and ex-Buenos Aires Province Police Chief Ramon Camps' son, Patricio Eugenio Camps. The temporary stay also benfits retired military men Colonels Pascual Guerrieri, Agustin Arias Duval, Captain Rodolfo Antinori, and active-duty officers Major Leopoldo Cao and Lieutenant Colonel Jorge Granada. The judge also sanctioned Vago's lawyer, Oscar Igounet Jr., for the terms he used in referring to Federal Prosecutor Julio Strassera, calling the lawyer's statements "reproachable verbal excess."

SIXTH DEVALUATION OF AUSTRAL ANNOUNCED

PY210138 Buenos Aires BUENOS AIRES HERALD in English 19 Jun 86 p 3

[Text] (DYN) -- Economic authorities yesterday announced the sixth crawling-peg devaluation of Argentina's one-year-old austral monetary unit, officially fixing the US dollar at 88 cents (buy) and 88.1 cents (sell). The 1.14 percent minidevaluation narrowed the gap between the official and the black market exchange rate to 1.69 percent, the closest spread this year. the black market dollar closed at 88.5/90 cents, while the tourist dollar traded at 91 cents.

UBALDINI WANTS END TO LEGAL-ECONOMIC AGGRESSION

PY210233 Buenos Aires BUENOS AIRES HERALD in English 19 Jun 86 p 9

[Text] (DYN-NA) -- CGT Secretary General Saul Ubaldini yesterday called for "an end to legal-economic aggression against workers" in Argentina. In a hard-hitting attack on the government read yesterday morning at the International Labour organization's (ILO) annual assembly in Geneva and idstributed simultaneously by the CGT here, Ubaldini accused the government of "giving in to the International Monetary Fund (IMF) that is imposing conditions on the country which are against the national interests." Ubaldini went on to say that "since I have been in office," the government "has upheld the full force of anti-union legislation which comes from the days of the dictatorship."

He then accused the government of failing to reinstate conquests of social progress which were obtained by law through labour agreement but later annuled by military governments. Ubaldini cast doubt on statements made last week from the same podium by Labour Minister Barrionuevo: "It is impossible to believe they (the government) will establish the legal mechanisms to defgend the rights of workers." According to Ubaldini, "the struggle of the workers' movement is two-fold: bring about change in the government's socio-economic policies and restore the labour legislation of which the country was once proud."

He insisted that "the CGT defends democracy but cannot conceive it in terms of enslaving a people."

Ubaldini added that "in the rebirth of democracy we have been banished to the margins of society by an elected government which, in its sad months of office, has tried to do without the workers' legitimate representation." He finished by pondering: "Hopefully next year we will be able to say Argentina is on its was to becoming a nation of peace and dignity which is respected by all within and without."

SYRIA'S AL-ZU'BI MEETS WITH CONGRESSIONAL OFFICIALS

JN201619 Damascus Domestic Service in Arabic 1515 GMT 20 Jun 86

[Text] Brasilia -- Brazilian Senate leader Senator Jose Fragelli has praised Syria's role in the Arab region and its confrontation of attempts to resolve the Palestine question. This came yesterday when he received People's Assembly Speaker Muhmud al-Zu'bi and his delegation and the Syrian charge d'affaires in Brasilia. A number of Brazilian senators attended the meeting. A number of senators also praised the cultural and economic achievements realized in Syria under President Hafiz al-Asad, affirming that they observed these achievements during their participation in the first conference of American parliamentarians of Arab origin held in Damascus late last year.

Mahmud al-Zu'bi and the accompanying delegation also attended a Brazilian National Congress session. The Congress president welcomed the Syrian delegation and wished they Syrian people and government continued progress and success, affirming the importance of consolidating bilateral relations.

Al-Zu'bi also met with the head of the Brazilian-Arab Parliamentary League and the head of the Brazilian parliamentary group of the Union of Latin American Parliaments. Talks during the meeting revolved around the importance of coordinating stands and exchanging viewpoints and expertise pertaining to the Arab region and the peoples of Latin America. They also affirmed the importance of confronting U.S. imperialist and Israeli attempts against the Arab peoples.

ENVOY SAYS CONFIDENTIAL DOCUMENTS STOLEN IN ROBBERY

PA210034 Madrid EFE in Spanish 2201 GMT 20 Jun 86

[Text] Brasilia, 20 Jun (EFE) -- Nicaraguan Ambassador to Brasilia Jorge Jenkins today reported that "enemies of the Sandinist revolution" took confidential documents when the burglarized the Nicaraguan Embassy. A group of people who have not yet been identified by the Brazilian police broke into the offices of the Nicaraguan Embassy in a downtown building in Brasilia on the night of 17 June.

Jenkins said that after forcing their way into the embassy files, the intruders xeroxed several documents and stole other confidential documents. Jenkins said that in view of this attack, Nicaraguan Embassy personnel now fear some type of violence that would endanger their personal safety.

Jenkins charged "couterrevolutionary" groups interested in antagonizing Brazil and Nicaragua with having burglarized the embassy. In his statement, he also mentioned the CIA. He described the robbery as "a serious, unprecedented incident" in Brasilia and noted that hit is the first time an embassy has been burglarized in Brasilia. The residence of a Nicaraguan Embassy offical was also burglarized 3 months ago, at which time the burglars took a briefcase with documents.

IRAQ TO PURCHASE 250 NEW CASCAVEL TANKS

PY211534 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 19 Jun 86 p 5

[By Roberto Godoy]

[Excerpts] The newest version of the Cascavel tank, which is manufactured by Engesa [Specialized Engineers, Inc.] and which has been kept under strict secrecy and presented only to Iraqi military officials, will earn $300 million for Brazil this year. This is the result of the sale of a lot of approximately 250 new units of the newly configured tank, which runs on wheels, together with a large amount of ammunition, electronic systems, and spare parts. These tanks are intended to reequip the Iraqui land forces that are engaged in the Persian Gulf war against Iran.

A sophisticated and lethal weapon, the EE-9/25 Cascavel has all the characteristics of the original tank, but the weapons system now includes a 25-mm cannon capable of firing 600 rounds per minute, intended basically for antihelicopter warfare. It can also attack several other targets, such as light tanks and enemy positions.

Each of the new Cascavel tanks costs approximately $500,000, nearly $130,000 more than the standard model, which is armed with a 90-mm cannon and which is still in production. The Cascavel is the Brazilian tank exported in numbers to 32 countries of Latin America, the Middle East, Africa, and Europe. First presented in the 1970's, this is its fourth design developed by experts at Engepeq, a subsidiary of the manufacturing group that carries out the development of the project engineering.

Accustomed to using the Cascavel with the 90-mm cannon in a support role (there are more than 400 Engesa tanks in Baghdad's arsenal), the Iraqis quickly approved the theory of replacing the main weapons with a smaller and faster 25-mm gun. The prototype was ready in December 1985, and "a few weeks later," as reported yesterday by an Itamaraty official, Iraqi Army Minister Taha Ramadan himself visited Brazil to secretly observe a number of live weapons tests. Later, the same tests were conducted in Iraq. Before that, President Saddam Husayn watched a video showing all aspects of the tests. This is the only existing record of the experimental stage because the secrecy involving the project is very strict.

The result was considered excellent, and the final details of the order are being negotiated at this moment. The Engesa board of directors has refused to comment on this subject, but in Brasilia, a rumor is circulating at the Army Ministry that confidence is high, justifying the fact that measures for manufacturing the new tank have already been taken.

BRIEFS

NEW ARMORED VEHICLE TESTED -- The Brazilian Army has started to test the new EET-4 light armored vehicle produced by Engesa [Specialized Engineers, Inc.]. The new tracked vehicle, which has been called "Ogum," has a capacity to transport a 5-member crew. The basic vehicle uses a turbo-diesel 125-HP engine which allows it to reach a speed of up to 70 km per hour. The Ogum has a range of 500 km. and is built with reinformed plates that are resistant to light weapons. [Summary] [Rio de Janerio O GLOBO in Portuguese 6 Jun 86 PY]

PINOCHET SPEAKS ON PLEBISCITE, OTHER ISSUES

PY210402 Santiago Radio Chilena in Spanish 2300 GMT 20 Jun 86

[By Eliana Henriquez from Government House]

[Text] President Augusto Pinochet said today that his government has no interest in electoral campaigns. This was the chief executive's answer to recent remarks of Christian Democratic Party Gabriel Valdes, who said that Pinochet had actually launched his own electoral campaign as candidate for president by emphasizing the importance of the 1989 plebiscite.

The thing is that there are people who cannot think of anything else but electoral campaigns, said Pinochet, meaning Gabriel Valdes. He added: This gentleman failed to understand what I said. My remarks are being distorted for God knows that purpose.

Speaking to the journalists, Pinochet said that the Government is truly concerned over the future of all Chileans in view of the ambition displayed by certain sectors that do not hesitate to enter into alliances with communists in order to return to power.

The president also said that the Democratic Alliance is a clear-cut example of a group of so-called leaders who represent no one and have no prospects to offer the people. As to the proposal of this group which advocates elections and rejects the plebiscite, Pinochet said that the country does not need this kind of proposals in order to attain true democracy and emphasized that this proposal also implies civil disobedience, anarchy and actions against public order.

The president reaffirmed that the opponents are using the universities for their anarchy-seeking stratgegy. He added that to accomplish this, these groups do not hesitate to frighten students and teachers or to use terrorism and violence. He said that the behavior of the communists and their allies, the Christian Democratic Party, is unacceptable because they are destroying the university.

President Pinochet was also asked about the decision of a sector of the Teamster Federation to join the national strike scheduled to take place shortly on the grounds that the government has not fulfilled their demands. The chief executive said that the recent threats of certain groups to carry out certain political actions are not reasonable and do not help develop the country or improve the standards of living of its people.

As to the affair of exiled medical Dr Edgardo Condeza, who entered the country illegally and asked the courts to rule on his right to remain in his own fatherland, Pinochet answered that the affair was in the hands of the courts that will have to establish the extent of guilt that Condeza and his accomplices may have.

Asked about an overall solution to the problem of exiles, Pinochet said that the issue must be studied objectively. He went on to say that the people in exile are the very same ones who provoked clashes between Chileans in 1970 and 1973. He added that today they are trying to appear as victims. Pinochet agreed that exile is an extreme and painful measure that no one wants to implement. He indicated that many persons have been allowed to return so as to normalize the situation little by little. The government has been very cautious when handling this issue because it is very sensitive and has to do with the security of all Chileans, Pinochet stated. Those who want to study the issue must take into account the progress achieved in this matter and accept that the situation is quite different from the initial one, the president concluded.

STUDENT, TEACHER DEMONSTRATIONS IN SANTIAGO

110 Teachers Arrested

PY201321 Santiago Radio Chilena in Spanish 2300 GMT 19 Jun 86

[Excerpts] One hundred and ten members of the Chilean National Teachers Association, including several national leaders, have been arrested while conducting a peaceful march from various points of the capital toward the Education Ministry in opposition to the municipalization of schools. Alejandro Traverso, the association's secretary general, told this radio station that this afternoon the teachers repeated demonstrations that were carried out at noon.

Traverso stated that the delegates of public schools have been meeting since 1900 at the Teachers Association headquarters to evaluate today's demonstrations. The demonstrations carried out this afternoon ended in downtown Santiago and at the University of Chile subway station before the police arrived.

Further Arrests Reported

PY201349 Santiago Domestic Service in Spanish 1100 GMT 20 Jun 86

[Text] Carabinero forces have arrested 90 students and professors in downtown Santiago for causing unrest. The incidents took place mainly at the Plaza de Armas and on Teatinos between Moneda and Bernardo O'Higgins Streets. The incidents were perpetrated during an unauthorized march organized by the (?Teachers Association) [passage indistinct].

Catholic University Watched

PY210314 Madrid EFE in Spanish 1534 GMT 20 Jun 86

[Text] Santiago, 20 Jun (EFE) -- Carabineros have been keeping the Santiago Catholic University, where approximately 500 students are holding a vigil, under heavy surveillance. The youths occupied the university last night and protested Rector Juan de Dios Vial's decision to authorize the Carabineros to enter the university on 18 June. During their raid the Carabineros arrested 95 students in response to the rector's request. The rector had alleged that the youths were engaging in political activities.

Tomas Jocelyn-Hold, president of the student federation of the Catholic University, said that the rector was "hasty and ill-advised by his aides," who made him "authorize the entry of Cabineros into the university for the first time in its history."

The Chilean university students are currently on a general strike protesting the educational policy of General Augusto Pinochet's military regime. Fifty-nine teachers were arrested during yesterday's student, teacher demonstrations. They were released last night.

Torture of Students Alleged

PY210356 Santiago Radio Chilena in Spanish 2300 GMT 20 Jun 86

[Text] The association of teachers of the Chilean University presided over by Patricio Baso is taking urgent steps in order to prevent the further torture of seven arrested students who are being held at a National Intelligence Center [CNI] station.

Baso explained that a telegram has been sent to UN Secretary General Javier Perez de Cuellar asking him to intervene in the affair to protect the prisoners.

[Begin Baso recording] This morning we went to the apostolic nunciature and met with Msgr (Renato Volonte) because the apostolic nuncio is not currently in Chile. Msgr Volonte promised to intercede before the government to stop the torture of these students. We also met with Msgr (Sergio Vales) who also promised to do his best. Finally, I would like to announce that yesterday the executive board of the teachers council of the University of Chile decided to call a drive for university autonomy and peace. [end recording]

The drive for university autonomy and peace will be held next week. It will include meetings at university campuses and a rally at the main building. Baso explained that the end of government intervention in universities will be requested and reiterated the association's request for the resignation of government-appointed rector, Major General Roberto Soto. The teachers' associaton will also demand more funds for the university and the end to repression against university students.

Meanwhile, the Santiago Regional Council of the Association of Nurses protested, through its Secretary General Margarita Roech, the conditions under which the seven arrested students are being held at CNI premises.

[Begin Roech recording] The Santiago Regional Council of the Association of Nurses wishes to reiterate its criticism against this kind of attack on human life, especially on the lives of young students, full of ideals for which they are prepared to fight. These youths are being trampled over the irrational violence. The physical and psychological condition of the prisoners is extremely serious, as ascertained by relatives and lawyers who visited them yesterday at CNI premises on Borgona Street in Santiago. This means that their lives are in danger. We call upon all social and humanitarian organizations to undertake critical and solidary actions to prevent the loss of these young lives. [end recording]

According to the testimony of relatives of imprisoned students, they were given electric shocks, were totally disoriented, not knowing the day or time it was, did not react to external stimuli, and some of them did not even recognize their parents. The courts have been informed.

The students being held on CNI premises are: Jose Sid, Claudio Garay, Claudio Diaz, Jose Miguel Allende, Raul Gallardo, Patricio Suarez and Juan Carlos Munoz.

Hundreds of students are now gathered together with the relatives of their arrested colleagues in front of the CNI station on Borgona Street.

Students' Release Ends Protest

PY211414 Santiago Radio Chilena in Spanish 2300 GMT 20 Jun 86

[Relay by Angel Bosan Ramos from Santiago Catholic University]

[Text] The release of the nine leaders of the Federation of Catholic University Students [FEUC] who had been arrested by the Carabineros ended the occupation of the main building at Catholic University in Santiago. The occupation had lasted more than 26 hours. The students explained that they occupied the building in protest over the fact that the Carabineros were allowed to enter the building for the first time in the 95-year history of the university. They also asked for the resignation of Managing Director Juan Pablo Romero.

The occupation was to have ended today with a sit-in for the duration of the meeting which the university board was holding, but was extended because six leaders of the FEUC were arrested at noon while leading marchers singing the national anthem and raising their hands as proof that the demonstration was peaceful. The police did not accept it as such, and arrested the leaders and hurled tear-gas bombs.

Once the univeristy board meeting was over, Catholic University Rector Juan de Dios Vial said that he would resort to every legal means available to him to protect university activities.

[Begin Vial recording] I hope that the people who have sort of become confused will regain their senses so that we do not have to discuss this again. I repeat that I will resort to every legal means available to me to defend university activities prudently and in keeping with university interests. [end recording]

As for the request for the resignation of Managing Director Romero, Juan de Dios Vial said that he had absolute confidence in Romero.

Meanwhile, FEUC President Jose Tomas Joselyn-Holt has said that the rector is shelving a proposal for university coexistence submitted at the university board meeting, and he described the situation as serious.

[Begin Jocelyn-Holt recording] The fact is that we have a serious, a very serious situation here. The truth is that it would have been better if the board paid more attention to board members (Livas Echuveira). However, the fact is that there are members on the board who are not interested in rapprochement. All they want is for the Carabineros to keep entering the university to see what happens. I hope these people will find something else to do, because they will never understand university life. [end recording]

The hundreds of students who were occupying the main building at Catholic University have now left. In addition, the FEUC is holding a meeting of presidents of student organizations to analyze the situation and is preparing solidarity projects for shantytown residents who have been victimized by raids and the recent storms. These projects will be carried out this weekend.

Troops Arrest 5 Leaders

NC210707 Paris AFP in English 0658 GMT 21 Jun 86

[Text] Santiago, June 21 (AFP) -- Troops stormed the campus of the Catholic University here and arrested five leaders of the five-day old strike by students against the military interfering in Chilean universities, students reported.

They said the troops had used tear gas in Friday's assault, which was the second since Wednesday, when 100 students were arrested. Catholic Students Federation Vice-President Osca Santelices was among the arrested Friday, the students said, adding that the strikers had not left the campus.

POLICE BREAK UP WOMEN'S DEMONSTRATION

PY201501 Santiago Radio Chilena in Spanish 2300 GMT 19 Jun 86

[Text] Police arrested 15 people this afternoon in front of the Army Telecommunications Regiment, which is located on Antonio Varas Street.

The group, which was made up mostly of women from different women organizations, tried to deliver a letter addressed to the Army chiefs and troops. The letters say that the situation in the country must be completely changed, and that thus because they are in opposition does not mean that they advocate violence or are antipatriotic.

The police broke up the demonstrators while they were singing the national anthem. The following people have been arrested: Maide Tao, Estela Ortiz Viuda de Parada, Antonieta Saa, Teresa Valdes, Roxana Pizarro, and journalist Carolina Munoz. They are being held at the 19th Carabineros Precinct.

GOVERNMENT RELEASES DRAFT CONGRESS LAW TO PUBLIC

PY211905 Santiago Domestic Service in Spanish 1600 CMT 21 Jun 86

[Report from La Moneda Palace by Rosa Sanchez]

[Text] Interior Minister Ricardo Garcia at noon today publicly released the text of the preliminary draft law on the national Congress that was drawn up by the so-called Fernandez Commission. The minister said that now the citizens can make their observations and give their opinions regarding the text over the next 30 days. They should direct their comments in writing to Juan de Dios Carmona, who presides over the subcommission that has been working on the draft.

The draft contains 58 articles and deals with the internal handling of the law in the national Congress, with the constitutional reform projects, and with the impeachment [acusacion constitucional] procedure.

He concluded by saying that, despite the emergency situation the country is now going through, the Chilean institutional process is thus advancing, just as established.

CUADRA SAYS ELECTIONS 'NOT THE ONLY MEANS'

PY211428 Santiago Radio Chilena in Spanish 2300 GMT 20 Jun 86

[Text] Everyone must understand and begin to accept the fact that elections are not the only means through which the citizens can exercise democracy, said Minister Secretary General of Government Francisco Javier Caudra when opening the second phase of the seminar entitled "Beyond 1989" that the magazine QUE PASA is sponsoring at the San Cristobal Sheraton Hotel.

During his lecture, Minister Cuadra emphasized that the politicians must understand that whether they like it or not, the evolution of society calls for different kinds of democracy.

[Begin Cuadra recording] We must all understand and begin to accept that elections, for example, are not the only means through which the citizens can exercise democracy. Thus, when democracy is practiced every day in different ways and not only at the political level through elections every 4 to 8 years, the matter of the rotation of parties in government loses quite a bit of its importance.

We must do away with excessive party discipline and systematic opposition, which result in excessively ideologic approaches, and force lawmakers never to agree with a bill submitted by their opponents, even if the bill is truly positive and beneficial for the country. [end recording]

Minister Cuadra said that it is necessary to avoid democratism [democratismo], that is, turning democracy into the goal in the belief that it alone can solve the problems that society encounters.

[Begin recording, in progress] ...that poverty declines, that resources increase, that the international financial system becomes more understanding, that the crime rate goes down. All this does not necessarily follow democracy. On the contrary, democracy makes the management of standard problems more complex and difficult. Decisions must frequently be made by scattered components, which makes the process more sluggish while life races forward. Democracy for democracy's sake is meaningless. However, this weakness that some people have is being used by the enemies of democracy to subvert it. [end recording]

Christian Democratic Party leader Andres Zaldivar and Ricardo Lagos of the Socialist Party did not attend Minister Cuadra's lecture. Only Andres Allamand of the National Union remained at the lecturers' table. Obviously displeased, Cuadra said that such attitudes are not in keeping with the reconciliation that the dissident sectors are advocating.

AD CALLS FOR FREE ELECTIONS TO END VIOLENCE

PY222120 Santiago Radio Chilena in Spanish 1700 GMT 21 Jun 86

[Text] The Democratic Alliance [AD] today released a political document calling for free elections now and requesting the Armed Forces assume their institutional responsibility as the only way to put an end to violence [words indistinct].

The political document which was read by Eduardo Cerda, the AD secretary general, rejects the idea of a single presidential candidate for the 1989 plebiscite. The document also reiterates that the 1980 Constitution is not democratic and does not establish a real transition to reach institutional normalization. The document adds that the discussions on the so-called political laws is a government delay tactic that will only lead to the perpetuation of authoritarianism.

[Begin Cerde recording] In the face of a regime that refuses to listen to reason and of people who are peacefully struggling to recover their sovereign rights, the AD proposes to the country the only civilized manner to overcome the crisis as taught by Chilean history and world experience: Free elections now. Free elections now means that an irrevocable decision must be made now to subject the country to the verdict of the people first by reestablishing public freedom and individuals guarantees and by introducing the necessary institutional changes. [end recording]

The political document adds that the government's rejection of democracy makes the government solely and directly responsible for the violence, agitation and disorders prevailing in the country. The document reaffirms the goal to seek an agreement with the Armed Forces aimed at achieving a real and effective transition that would allow the beginning of a new stage of national coexistence.

In conclusion, the AD document reiterates its support for the immediate measures proposed by the National Accord and the mobilization instructions proposed by the Civic Assembly in the document entitled Chile Demands.

FARC DOUBTS M-19 PLANNED ATTACK ON MINISTER

PA211903 Madrid EFE in Spanish 1210 GMT 21 Jun 86

[Text] Bogota, 20 Jun (EFE) -- The FARC General Staff stated today that it does not believe the M-19 was the author of Tuesday's foiled attempt against the life of Government Minister Jaime Castro Castro.

"We do not believe that the terrorist action was carried out by the M-19, much less when, 4 hours later, someone gave the communicatons media specific information about the attack," the FARC leaders said.

Manuel Marulanda Velez, "Tirofijo," who is the top chief; Jacobo Arenas, alias Luis Morantes, who is the ideologist of the group; and Raul Reyes, Alfonso Cano, and Timoleon Jimenez, all members of the General Staff, made the announcement.

The communique issued by FARC, which has been observing a peiod of truce with the Belisario Betancur administration since 1984, said that behind this terrorist attempt "there seems to be the holocaust of the Palace of Justice and the lifting of the state of siege."

In a communique made public today, the FARC wonders: "Who could be interested in hindering the publication of the report on the slaughter at the Supreme Court of Justice and the fire at the Palace of Justice?"

The FARC raises another question: "Who could be interested in preventing the state of siege from being lifted?"

The document, which was sent over the radio on the same day of the attack but made public today, concludes" "Fascist militarism is capable of committing all of these outrages, and therefore Colombia should rise up against it, which means rising up against violence and terror."

CHARGES TO BE PRESENTED AGAINST BETANCUR

PA211728 Paris AFP in Spanish 1520 GMT 21 Jun 86

[Text] Bogota, 21 Jun (AFP) -- The attorney general of Colombia will present charges before the House of Representatives against President Belisario Betancur and Defense Minister General Miguel Vega Uribe for their action during the guerrilla attack against the Palace of Justice in Bogota, it was officially announced here today.

According to a report, Attorney General Carlos Jimenez disclosed that his office has been investigating the M-19 guerrilla occupation of the Palace of Justice on 6 and 7 November 1985 that left a toll of 95 dead and 5 persons missing.

In the document, which has 39 pages divided into 5 chapters, the attorney general announced his determination to raise charges before the House of Representatives over the attitude of the president of the Republic and the defense minister "for their actions or omissions" during the situation.

Jimenez' charges were presented to the acting chairman of the House of Representatives, Cesar Perez Garcia, who will study the document to determine if it is feasible.

DEFENSE MINISTER REFUTES EL PAIS CHARGES

PA220310 Madrid EFE in Spanish 1205 GMT 21 Jun 86

[Text] Defense Minister General Miguel Vega Uribe said here today that the report in the Spanish newspaper EL PAIS regarding alleged autonomous action by the military during the Palace of Justice guerrilla assault in November is part of an international campaign to discredit [the Armed Forces].

Vega Uribe said during a military promotion ceremony that he was aware of the Madrid daily's version of the M-19 occupation on 6 and 7 November, although he pоointed out that he did not know "in what newspaper or magazine the article appeared."

EL PAIS of Madrid today published the text of a recording attributed to the commanders on a plan to free the Colombian Supreme Court justices, an operation in which at least 95 people died. The paper charged that the military men were more concerned about the operation itself that about saving the magistrates and hostages.

Vega said: "I maintain what I said on the 4th [month not specified]. There is a campaign, not only nationally but internationally as well, to discredit the Colombian Armed Forces." Two weeks ago Vega refuted a report in the same newspaper on police and military responsibility in the operation.

The high-ranking military man said that the Army "is essential for maintaining not only sovereignty, but the legitimacy of a government democratically elected by the Colombian people."

The minister rejected the idea that the Armed Forces had staged a 27-hour "coup" against President Belisario Betancur during the guerilla assault, and described as "slanderous" the accusations made of military disregard for the decision of the Council of Ministers to avoid the deaths of the magistrates and hostages.

Gen Vega Uribe said: "Within this very often incomprehensible psychological war, I realize that the most cunning weapons will be used against the Armed Forces, which are only complying with the oath they took to enforce the constitution and laws of the Republic."

Asked about the report from the investigating commission on the departure and subsequent disappearance from the Palace of Justice of guerrillas Irma Franco and Clara Enciso at the end of the M-19 raid, the minister of defense said he "respected and obeyed the request from the magistrates to broaden the investigation."

Vega Uribe added: "There are facts that should be investigated by the officials, and they will be investigated. I respect this profoundly, and as far as I am concerned the Armed Forces will cooperate fully."

When reporters insisted, Gen Vega said: "We have said that the guerrillas are not in the hands of the Army. We shall investigate."

The 3 June EL PAIS version was described as an "international ruse" by Vega Uribe. The news published today was expanded by radio stations, which interviewed EL PAIS reporters by telephone.

GOVERNMENT REFUSES TO RETURN 8 NICARAGUANS

PA221337 Madrid EFE in Spanish 2210 GMT 21 Jun 86

[Text] Bogota, 21 Jun (EFE) -- It was reported today that Colombia has refused to return to Managua eight Nicaraguan citizens, including a woman, who arrived on the Colombian island of San Andres in the Caribbean in late April. The Foreign Ministry, which initially refused to grant them political asylum after determining that their situation did not fit this international juridical provision, has refused a Nicaraguan official's request to repatriate them.

In San Andres, Howard Taylor Solis, chief of the External Cooperation Department of Nicaragua's coastal zone, tried to have the eight citizens repatriated with the purpose of drafting them into the military service of their country of origin.

Colombia, however, has decided that it will not deliver them to Managua but to the Intergovernmental Committee for Migration [Comite Intergubernamental Para Las Migraciones] CIM, an organization that will coordinate with friendly countries on the final destination of the eight Nicaraguan youths.

The Colombian Government has set a 2-month deadline for the CIM to determine the final destination of the Nicaraguans.

The eight Nicaraguans, Martin Moreno Chavez, Wilfredo Cotra, Antonio Herber Zuniga, Norman Robledo, Lorente Carton, Rit Cotrapio, Efrain Moreno, and Hilda Moreno Chavez, are held in custody in San Andres by the Administrative Department of Security, DAS.

GOVERNMENT TO NEGOTIATE COFFEE EXPORTS TO PRC

PA210424 Bogota Television Service in Spanish 0000 GMT 21 Jun 86

[Text] Soft drinks from the West arrived in Communist China some time ago. Now the Chinese will begin to mix their tea with coffee, and Colombia has thus opened an important market for its coffee. An agreement was reported today between communist China and Colombia, for Colombia to export coffee to that nation.

[Begin recording] [Unidentified reporter] Internal consumption of coffee is low given the population's income; nevertheless, an increase in the consumption of that product has been detected in the cities, particularly by tourists. Colombia is interested in establishing a packaged cafe au lait factory in a free zone, using soybean milk. The coffee would be sold in Asia, and it would possibly be packaged in cartons, which are cheaper in China. The negotiations have advanced so far that the price has been set at $0.12, in other words, approximately 23 pesos.

[Development Minister Gustavo Castro] The Chinese Government is highly interested in the project. If we manage to achieve this, it would represent a great accomplishment because 25 percent of the world's population lives there, approximately 1.2 billion persons who have yet to learn how to drink coffee.

[Reporter] China wold supply the soybean milk, sugar, and cartons; Colombia would contribute the coffee -- approximately 5 billion units -- which would generate $500 million for the country. The coffee trade with China would have two goals: one, the sale of regular coffee for internal consumption in that nation; and two, the export of coffee from China to the rest of Asia. [end recording]

EDITORIAL OPPOSES RAPPROCHEMENT WITH PRC

PY190250 Asuncion HOY in Spanish 18 Jun 86 p 10

[Editorial: "Diplomatic Relations With China?"]

[Text] The unexpected presence of commercial representatives from the PRC in our country has been the subject of all kinds of commentaries in both the political and business sectors. There are not many details about what happened or why this delegation came to Paraguay. Nor is anything known about the subjects that were discussed with representatives from the government and business sectors. However, everything apparently ended when, because of orders from above, the delegation departed.

What can be deduced from this visit is that negotiations are under way to achieve commercial rapprochement between the PRC and Paraguay. Public statements, made by some representatives of the private sector, have even advocated the reestablishment of commercial ties with the PRC. All this has created a complex situation that demands clear-cut definitions on the part of the government.

It must be noted that for many years our country has maintained cordial relations with Taiwan. For historical and ideological reasons, Taiwan has been and still is engaged in a harsh confrontation with the PRC, and it still remains to be seen how this confrontation will end.

Moreover, Paraguay has adopted a staunch anticommunist policy as a basis for its foreign relations. It is because of this policy that Paraguay has refused to maintain diplomatic, much less commercial, relations with communist countries. This position has been firmly upheld in all international forums. Some observers believe that because of the presence of Cuba, Paraguay does not even have a representative in SELA.

Moreover, in keeping with the Paraguayan Government's point of view, it is detrimental to establish rapprochement with communist countries for ideological reasons. This position, which has been repeatedly defended, would be seriously questioned if commercial ties were established with the PRC, as is being promoted.

It must also be noted that in Paraguay's case there can be no radical variations in its foreign policy for obvious reasons. When anticommunism has become the moral and philosophical basis of the foreign relations of a country, a change of policy like that being suggested is impossible. It would be a sign of weakness or hypocrisy. However, we believe that this will not happen.

We believe that our government must continue within the framework which it has established of its own will. We believe that after so many years a change of positions would not result in any fundamental advantage for the country. On the contrary, it would be a sign of spiritual weakness. Moreover, we have been able to achieve a cooperation program with Taiwan. This is a concrete action, and a tangible sign of friendship.

RADICAL MEETING, LAINO'S RETURN BANNED

PY202201 Asuncion Radio Nanduti in Spanish 1700 GMT 20 Jun 86

[Text] Interior Minister Sabino Augusto Montanaro this morning reiterated to the press that the Interior Ministry will not allow the meeting of the Authentic Radical Liberal Party scheduled for 29 June at San Pedro del Parana. The permission will not be granted, and the meeting will not be allowed. Minister Montanaro was also asked about the arrival of Dr Domingo Laino, announced for 24 June, and about the position of the government in this regard. Here are his answers:

[Begin recording] [Unidentified reporter] Mr Minister, what about Laino's return to the country?

[Montanaro] Both the [American] Embassy and all customs and port authorities have been told that Domingo Laino must not enter the country.

[Reporter] Have you been informed, Mr Minister, that a delegation of U.S. lawmakers will come with him?

[Montanaro] No, I have not. I only know what I have read in the newspapers, nothing else.

[Reporter] It seems that there has been a U.S. Government note signed by Republican and Democratic lawmakers supporting Laino's return.

[Montanaro] I do not know of any note allegedly signed by senators or deputies or any other authority. Their names are always used, but we have not received any note from them.

[Reporter] So, the government decision is irrevocable?

[Montanaro] It is irrevocable, and has been made known. Thank you. [end recording]

FURTHER REPORTAGE ON PRISON UPRISINGS, REACTIONS

Armed Forces Communique

PY201419 Lima Latinoamericana Television in Spanish 0430 GMT 20 Jun 86

[Communique released by the Armed Forces Joint Command -- numbering of paragraphs as heard]

[Text] This is to inform the people that:

1. The Armed Forces Joint Command has brought under control the situation caused by the mutiny of subversive criminals at the El Fronton, Lurigancho, and Santa Barbara jails, where order and authority have been restored.

2. At El Fronton jail, after the fruitless appeals by the peace commission, the forces of order started the operation which ended today at 1700. The forces of order suffered 23 casualities from the bullets and explosives used by the terrorists.

The rescue operations to free the hostages were seriously hindered by the trenches, caves, and barricades built by the subversives during the last few years, as had been personally verified by the public prosecutor and a Supreme Court member. During the operations at El Fronton, 30 subversives were killed. The final death count cannot be established because an unknown number of subversives have died, trapped or buried when the tunnels and caverns they had constructed caved in. Some of these tunnels and caverns go toward the sea. It was also verified that some inmates were killed by the subversives while trying to escape from the building.

(?Due to the) almost total destruction of the building, it is impossible to determine the number of dead at El Fronton, but 30 subversive criminals, some of them wounded, have surrended to the forces of order.

At the Lurigancho jail, the forces of order restored order after 124 subversives were killed. Many of the subversives died from burns or were asphyxiated inside the fortification they had built. The rioting subversives refused to leave these fortifications and resisted, using explosives, firearms, and home made knives, for 12 hours.

Under the state of emergency decreed in Lima and Callao provinces the prisons where the riots took place have been declared restricted military zones. The corpses found at these jails are being identified, and their names will be reported later.

Due to the state of emergency decreed by the government, any disorder or disobedience of legal rulings will be firmly punished.

Signed: public relations office of the Armed Forces Joint Command.

War Minister on Situation

PY201358 Lima Television Peruana in Spanish 0100 GMT 20 Jun 86

[Excerpt] War Minister General Jorge Flores Torres today reported that order is being restored in the prison due to the intervention of the Armed Forces.

[Begin recording] [Unidentified reporter] General, Can you tell us something about the intervention of the police and Armed Forces yesterday at the prisons?

[Flores] Well, as you have seen in the comminiques, it was a decision adopted by the government because the principle of authority must be respected. We have done everything possible, the peace committee has also urged the prisoners to give up their position, but this has not happened. And so the order was given to transfer the terrorists to Campo Grande.

[Reporter] General, are the forces of order still within the prisoners?

[Flores] Yes, They are still there. The situation in Lurigancho and in Santa Barbara has practically returned to normal.

[Reporter] How can you describe the overall situation in the country, General, given the fact that the Socialist International Congress is scheduled to begin soon and these terrorist actions are taking place now?

[Flores] Well, it is known that the Shining Path has done this sort of thing several times before. They take advantage of situations like this, when international personalities are in the country, trying to obtain more publicity, engaging in different activities. The same thing happens when the president of the Republic leaves for a foreign country or when he returns to Peru. In this particular case, they are taking advantage of the presence of foreign personalities and foreign reporters in the country. They are trying to obtain more publicity.

[Reporter] General, what about the rumors that a curfew could begin at 2200? Has the Joint Command considered this possibility at any time?

[Flores] No. These are mere rumors. As you know, many rumors are circulating in Lima. We do not know the objective of these rumors. As you know, the people must understand that a change in a curfew schedule requires a few days' notice. It is impossible to inform all the people of Lima and Chalaca about a change in curfew hours. At leat 70 or 80 percent of the people would remain unaware, and thus it would be impossible to control violations of the law.

[Reporter] Mister Minister, what information have you about the Danish ship that was reportedly carrying weapons to the port of Callao and is now in Panama?

[Flores] Well, I know what we all know, that the ship is being held in Panama and that a large amount of war material has been found on board. What must be established is whether it was in fact coming to Peru, which is not very probable, or whether it was on its way to another country. [end recording]

Order returned today in the prisons of Lurigancho and Santa Barbara. In El Fronton, however, the forces of order continue with actions to put an end to the rioting by subversive criminals in that prison.

In San Pedro prison, previously called Lurigancho, a climate of tranquillity prevailed today following the events of yesterday when some people, who had been detained for terrorist actions, rioted in this prison, demanding that they be kept at that prison and not transferred to the Campo Grande prison.

Relatives of the detainees have been asking the police forces since early this morning about the state of health of the detainees, after the prison was cordoned off. At approximately 1100, lawyers of the detainees showed up and demanded information about their clients. Judicial Branch officials were also present to make an assessment of the situation.

At noon, on the port of Callao, from where the boats were leaving for the El Fronton prison, the prisoners' relatives demonstrated and tension increased. The police forces had to maintain public order by using special antiriot vehicles.

Death Toll at 300

PY211937 Paris AFP in Spanish 0009 GMT 21 Jun 86

[By Daniel Sire]

[Excerpts] Lima, 20 Jun (AFP) -- The jail riots which started 2 days ago and which were promoted by the Shining Path guerrilla prisoners ended today with the total destruction of the blue cell block of the El Fronton prison island, located off the coast of Lima.

It was learned today that before authorizing the Armed Forces to intervene and restore order in the prisons, Social Democratic President Alan Garcias had requested the opinion of the church; all political parties, particularly those of the extreme left; the peace commission; and the Senate and Chamber of Deputies human rights commissions. All of them had unanimously approved the government's decision to restore order in the three prisons.

However, all of these sectors made one condition: Exhaust all peaceful means so as to achieve a surrender without a bloodbath. This is why the local authorities have broadcast films showing memebers of the peace commission talking on loudspeakers to try to establish a dialogue with the inmates. Eyewitnesses said that the inmates answered either with silence or threats the six or more calls that were made to them on loudspeakers. The rebels did not answer these calls, even after the government issued the ultimatum before ordering the Armed Forces troops to put down the riots.

Some Peruvian congressmen noted that we should have seen this situation coming...the Shining Path prisoners became the leaders of all the prisoners, telling them whether or not they had to appear before court; building special cells to punish those who repented or refused to act for their cause; hoisting their own red flag with the hammer and sickle after a Shining Path attack took place.

The rebels reportedly issued a petition containing 31 points shortly after they took some hostages. Among the demands was a refusal to be transferred to the Canto Grande high security prison which has just been opened, where visits are restricted and where it is impossible to send messages through relatives. According to a high-ranking Justice Ministry official, the other points included in the petition sought to allow the Shining Path to create more chaos in the prisons and throughout the country.

But the rebels were at least partially successful in their objectives, that is, to provoke the government during the XVII Socialist International Congress, which will always link the Peruvian Government with the killing of 300 prisoners in Peruvian jails.

Mass Graves Reported

PY230236 Madrid EFE in Spanish 1825 GMT 22 Jun 86

[Text] Lima, 22 Jun (EFE) -- The newspaper EL NACIONAL today disclosed that Peruvian military personnel at dawn on 21 Jun buried the bodies of the 154 inmates who were killed on 19 June during the repression of the riots in three Peruvian prisons. EL NACIONAL reported that 124 of the bodies were of inmates from Lurigancho Prison in Lima and 30 from El Fronton Prison.

The burial was carried out despite statements by First Vice President Luis Alberto Sanchez, who has asserted that the remains would be handed over to their relatives. According to charges made by members of the "United Left" coalition and press reports, some bodies have been buried in small tombs [nichos] bearing their names and others in mass graves [fosas comunes].

The two women who were killed in the Santa Barbara Women's Prison were buried in the Surquillo Cemetery, Lima district, where another nine persons allegedly killed in Lurigancho also were buried.

The 30 inmates killed in El Fronton were buried, according to EL NACIONAL, in Baquijano Cemetary in Ell Callao, Lima Port, which is in the front of the prison island. The cemetery was guarded by Marines who did not allow anyone in when the burials probably took place. The bodies were buried by military personnel at dawn, during curfew hours in Lima and El Callao, according to EL NACIONAL.

The daily stated that most of the inmates who died on Lurigancho allegely have been buried in mass graves in the San Juan de Lurigancho and Villa Maria del Triunfo cemeteries, in two districts of the capital. The newspaper added that seven bodies were buried in a mass grave in the Baquijano cemetery and another eight in small tombs.

Visits to the prisons where the rebellion by Shining Path inmates occurred will be normalized next week, but they still are considered "restricted military zones." No motor boats depated for El Fronton yesterday, which is the way relatives of the inmates usually get to the island.

People who were able to enter Lurigancho Prison yesterday noted that there were no bodies left in the prison, which seems to confirm that they have already been buried. Nor has anything been disclosed about the bodies of Shining Path inmates in El Fronton who, according to the Armed Forces Joint Command, were buried under the debris of the wing where they were confined and which was partially destroyed by the attack by the Navy, which was in charge of supressing the riot.

The serious charges of the deaths of the 124 inmates in Lurigancho, 60 of whom it is asserted had surrendered, have forced the government to order an investigation to determine what really happened during the repression of the riot. Vice President Luis Alberto Sanchez yesterday asserted that if excesses were committed, those who committed them will be punished.

Executions Alleged

PY220220 Paris AFP in Spanish 2238 GMT 21 Jun 86

[Text] Lima, 21 Jun (AFP) -- Marxist Senator Javier Diez Canseco today told foreign journalists that about 60 terrorists who surrendered during the riot in the Lurigancho prison were executed by Army troops. Diez Canseco said with tears in his eyes that a witness to the execution, who he did not want to identify, told him about this incident.

In a press conference Diez Canseco asked that a neutral team of coroners carry out the autopsy on the bodies to verify the accusation. He added that the government peace commission members should resign and be replaced by members of the church, human rights groups, and independent personalities. Diez Canseco, who heads the Mariateguista Unified Party (PUM), said that the riots by inmates in three prisons in Lima were put down on 18 and 19 June with a desire for extermination.

Regarding the casualties, he said that according to estimates made by his party there were 132 and not 124 rioters in Luriganch as reported by the government. He added that no one survived. He added that there were 126 terrorists in the El Fronton island prison and that (?90) were killed.

In another press conference Senate President Luis Alberto Sanchez stated that the government was concerned about respecting human rights. He added that if as a result of the investigation, abuses are found, as happend with the discovery of common graves in Accomarca in 1985, the people responsible will be punished. Sanchez recalled that on that occasion the man who was president of the Armed Forces Joint Command, General Cesar Enrico Praelli, was fired along with two Army general who were responsible for the countersubversive operations in Ayacucho, in the southeastern area of Peru.

Government Admits Excesses

PY220238 Paris in Spanish 0142 GMT 22 Jun 86

[Text] Lima, 21 Jun (AFP) -- The Peruvian Government today admitted in an official communique that it can be presumed that the Armed Forces committed abuses in repressing the rioting prisoners accused of terrorism in three Lima prisons and added that it guarantees the punishment of those responsible for any abuse.

Military Probe Ordered

PY220329 Madrid EFE in Spanish 0224 GMT 22 Jun 86

[Text] Lima, 21 Jun (EFE) -- The Peruvian Government has ordered the Armed Forces Joint Command to conduct without delay a military investigation into "the extent and seriousness" of alledged excesses which occurred while putting down a subversive riot that broke out at the Lurigancho Prison on 19 June.

In a communique released tonight, the Presidential Press Secretariat states that an official communique released by the Joint Command reporting that 124 people were killed "leads one to presume that excesses may have been committed in the use of force to implement the government's orders," to put down the insurrection of inmates held on terrorist charges in the Lurigancho Prison.

The government, the communique says, has also requested that Congress, "exercising its duty to check on the other branches of government, conduct an investigation into the riots."

The government has also requested that Attorney General Cesar Elejalde, as the people's defender, "conduct an investigation to clear up these incidents."

The government, the communique adds, "gives assurances that those who may have committed excesses in restoring order at the Lurigancho Prison will be punished."

The communique also says that the government gives recognition to the forces comprising the Armed Forces Joint Command "which have faithfully complied with their duty and have obeyed the constitutional government." The communique adds that as soon as the riots broke out in Lurigancho, El Fronton, and Santa Barbara Women's Prison, the government ordered the Joint Command "to immediately restore order." "Earlier, an unsuccessful effort had been made to persuade the rioters to surrender," the communique says.

The communique released by the Presidential Press Secretariat only refers to "excesses" and to an investigation that will be conducted in the Lurigancho Prison; it does not include the Santa Barbara or El Fronton prisons.

2,000 Suspects Arrested

PY202336 Paris AFP in Spanish 1824 GMT 20 Jun 86

[Excerpts] Lima, 20 Jun (AFP) -- Yesterday, after crushing the uprising in three prisons, the most serious ever in Peruvian history, the Armed Forces arrested 2,000 suspects -- among them 200 women and minors -- and seized a hunded vehicles. This was reported today by Peruvian authorities. To prevent a revanchist escalation by the Shining Path in the wake of the Callao and Lima jail uprisings, crushed at the cost of a large number of dead and wounded -- military sources say 156; others say more than 300 -- the Armed Forces have tightened security measures throughout the country, War Minister General Jorge Flores said.

The Antiterrorism Directorate has also reported that surveillance of public and private establishments has been redoubled in order to protect them from possible terrorist attacks following the regrettable incidents in the Lima and El Callao prisons.

The main hospitals and the central morgue, where there has been unusual activity in the last 24 hours, have been cordoned off by police, who are not allowing relatives of the wounded and dead to enter.

The Armed Forces Joint Command has said that it is impossible to determine the exact number of casualties because many subversives died when the tunnels they had dug collapsed, and it confirmed today the situation is under control and calm has been restored.

At the El Fronton jail, 10 miles from the El Callao port, after unsuccessful attempts by the peace commission to persuade the rebels, 30 subversives were killed in 20 hours of combat and 30 others surrendered, some of them wounded, the Armed Forces Joint Command reported. Also 3 members of the security forces were killed and 20 wounded by bullets or explosives, but the number of bodies could not be counted because of the damage to the building where the inmates were located, the report says.

There is proof that many inmates were killed by their colleagues when they wanted to give themselves up and leave the cell block.

In the San Pedro jail -- the former Lurigancho jail -- the resistance lasted 12 hours, with a total of 124 subversives dead and 13 security forces agents wounded. While resisting with explosives, firearms, and makeshift knives, many terrorists died from asphyxiation and burns, the report continues. The hostages who were taken have been rescued, but there is no information on their condition. The objective was to get the attention of the participants of the Socialist International Congress that was opened by President Alan Garcia today.

A spokesman for the 30 prisoners who turned themselves in at El Fronton revealed that the Shining Path leaders of the uprising kept their colleagues from surrendering by shooting them to death. We were cannon fodder, and we were forced to shout communist slogans and throw explosives at the forces of order, while the leaders protected themselves with their guns, he said.

Police have singled out the so-called idiologue of the Shining Path, Antonia Diaz Martinez, who was under custody in one of the prisons, as the planner and leader of the rebellions, considering that he was the head of the March 1984 jail rebellion in which 20 persons died. Nothing is known about what has happened to Antonio Diaz Martinez.

BOMB BLAST DAMAGES HONDURAN CONSULATE IN LIMA

PA221451 Paris AFP in Spanish 1400 GMT 22 Jun 86

[Text] Lima, 12 Jun (AFP) -- An explosive charge exploded this morning at the doors of the Honduran Consulate in the San Isidro residential district of Lima causing damage but no injuries, the police have reported. The attack, added to a series of terrorist attacks in "vengeance" over the violent repression of subversive riots in three prisons in Lima and Callao, occurred at 0635 local time (1125 GMT).

The attack, for which no insurgent group has claimed responsibility thus far, damaged the door and interior of the consulate while the blast was felt in neighboring buildings for a perimeter of several blocks, the source added.

CAR BOMB EXPLODES IN LIMA BUSINESS DISTRICT

PY211501 Paris AFP in Spanish 1414 GMT 21 Jun 86

[Text] Lima, 21 Jun (AFP) -- A car bomb exploded this morning at the front door of a bank in front of the Sears store in the Lima business district of San Isidro. The Peruvian Police have reported that there was considerable damage, but no victims. The attack, which added to the wave of attacks unleashed by subversive groups in reprisal for the violent repression of terrorist mutinies in three prisons, occurred at 0630 [1130 GMT].

The police reported that the car was loaded with at least 40 kg of explosives. No subversive organization has claimed responsibilty for the attack.

The shock wave, which alarmed the people for several blocks around the scene of the explosion, caused serious damage to several buildings where offices and banks are located.

GUERRILLAS DERAIL TRAIN, ATTACK APRA OFFICES

PA221703 Paris AFP in Spanish 1617 GMT 22 Jun 86

[Excerpt] Lima, 22 Jun (AFP) -- Subversive columns caused the derailment of a cargo train on the Lima-Huancayo route, attacked four headquarters of the ruling APRA [American Revolutionary Popular Alliance] in Chiclayo, and exploded dynamite charges, among other actions staged in the past hours, the Lima Police reported today.

The attack against the railroad, which was to cause a massive derailment of trains, occurred yesterday in Tamboraque, located 118 km from the central railway. The track ties were removed by subversives shortly before the intense train traffic toward Lima began, the source of the state railroad enterprise stated.

A similar attack, which interrupted the traffic of many passenger and cargo trains, occurred recently when terrorist explosives destroyed the railway bridge of Malpase in the vicinity of Huancayo, 310 km southwest of Lima.

As "vengeance" actions for the violent repression of prison riots on Thursday -- with an unofficial death toll of 300 and 154 officially -- the home of an APRA leader in Chongoyape, Chiclayo, 752 km north of Lima, and three district headquarters were reduced to cinders last night following a dynamite attack by Shining Path members, the police reported. The leader and his family escaped unscathed and nobody was in the party headquarters at the time of the attack.

SHIP APPARENTLY UNLOADED ARMS FOR GUERRILLAS

PY212044 Paris AFP in Spanish 1830 GMT 21 Jun 86

[Text] Lima, 21 Jun (AFP) -- Peruvian Senate President Luis Alberto Sanchez today said that before being intercepted in Panama the Danish ship Pia Vesta apparently unloaded arms in Peru for the Shining Path, which was preparing for an important guerrilla attack. Sanchez, who is also the vice president of Peru, said that Peruvian authorities are still not exactly sure if the cargo which was unloaded in Peru actually contained arms. However, the captain of the Danish ship made a confession and told Panamanian authorities about the operation.

The Pia Vesta was intercepted in Panama on 13 June in answer to a Peruvian request, which was made after military intelligence reports warned about the ships presence in Peruvian waters between 6 and 8 June.

Sanchez said that the Soviet-made chache that was found in the ship's hold by Panamanian authorities are bazookas, rocket launchers, mortars, AK-47 rifles and 30 vehicles. The final destination of this shipment was El Salvador, but it was to arrive there only after other cargo was unloaded in an unidentified Pervian port about which absolutely nothing is known.

The Peruvian official noted that this seems to be related to an operation which according to reports, was to have been called the "Great Attack." The objective seems to have been planned perfectly, as the discovery of this shipment demonstrates.

Peruvian experts on the Shining Path describe the so-called "Great Attack" AS A MAJOR offensive which the Maoist guerrillas, who are involved in organizing a people's army, planned to carry out by mid-1986 to spread the people's war that it unleashed in 1980 and which up to now has caused approximately 8,000 deaths.

Sanchez made this statement during a press conference he held with foreign journalists at the Crillon convention center where the XVII Socialist International Congress, which today started its 2D day of sessions, is being held. He added that the Peruvian Government had exact knowledge that on 8 June the Pie Vesta was 40 miles from the Callao port but that is did not advise maritime authorities about its presence. Sanchez said that on 9 and 10 June Peruvian tug boats went out to identify the ship, but it did not answer any signals.

During the press conference, Sanchez also explained that the government exhausted all peaceful means to persuade the terrorists who were rioting in three Lima jails since 18 June, before ordering the Armed Forces to carry out a military intervention that ended after approximately 300 people were killed, according to unofficial estimates.

Regarding the Danish ship and the cargo it left in Peru with the guerrillas, Sanchez said that there is no other hypothesis in this regard. But did the ship really unload any cargo? Was the ship meant to carry off prisoners from the El Fronton prison jail? Was it bringing arms for a so-called Peruvian people's army? Was it also transporting the same cargo for El Salvador? All these questions, Sanchez said, are still to be answered. He also said that the Pia Vesta had sailed from Rostock, a port in the GDR, on 2 June.

POLICE CONFISCATE 19 JUNE NVEVO DIARIO

PY212143 Paris AFP in Spanish 1834 GMT 21 Jun 86

[Text] Lima, 21 Jun (AFP) -- Carlos Angulo, director of the morning paper EL NUEVO DIARIO, reported in Lima today that the Thursday issue of the paper, which represents the extreme Peruvian left, was confiscated and that yesterday's issue could not be printed because of police intervention.

In a document distributed to the local Peruvian press, he stated that the police raided his editing office early on Thursday morning under the pretext of looking for bombs. Angulo stressed that an arbitrary and detailed search, being an open violation of the most basic rights of freedom of expression, means an intervention in the printing and distribution of the newspaper.

Government circles who were asked about the event said they knew nothing about the police measures, but it was pointed out that, under the state of emergency with a suspension of guarantees in force in Lima, the Joint Command of the Armed Forces has the constitutional power to exercise political and military control in the province.

CONSALVI 'ANNOYED' WITH SENATOR HELMS' STATEMENT

PA210254 Hamburg DPA in Spanish 2333 GMT 20 Jun 86

[Text] Caracas, 20 Jun (DPA) -- Foreign Minister Simon Alberto Consalvi was visibly "annoyed" when commenting on statements by U.S. Senator Jesse Helms to the effect that "the government in Mexico is guilty of corruption" and that "the Latin Americans are fickle people."

Questioned by reporters, Consalvi stated: "Helms' umteenth viewpoint does not concern us, and he has every right to request that it be applied throughout his country; however, the Latin Americans have the right to apply our own viewpoints without being insulted or offended."

According to the official agency VENPRESS, Consalvi -- who was "visibly annoyed" -- added: "We must recognize THE WASHINGTON POST's word of caution that senators should use decent language when referring to the Latin American nations."

NORWEGIAN PRIME MINISTER MEETS ENERGY MINISTER

PA191941 Caracas Television Service in Spanish 1600 GMT 19 Jun 86

[Text] Norwegian Prime Minister Gro Harlem Brundtland, who arrived in this country last night, met early this morning with the members of the National Executive Committee of the Democratic Action Party. Here is Martin Pacheco with more details on her agenda.

[Begin recording] [Pacheco, in progress] ...Energy and Mines Minister Arturo Hernandez Grisanti. She will also hold a press conference and will meet with Foreign Minister Simon Alberto Consalvi. Minister Hernandez Grisanti stressed the most important aspects of the links between Norway, which is a non-OPEC oil-producing country, and the countries of OPEC, over which he presides.

[Hernandez Grisanti] The talks were broad and frank. I was highly impressed by Prime Minister Brundtland. I believe that she is an extraordinary leader and that she has a very clear understanding of the political, economic, and energy situation. Our talks were really positive and constructive, and therefore I believe we will benefit greatly from the analysis and exchange of ideas and viewpoints on oil matters which we agreed to maintain periodically between the Norwegian and Venezuelan Governments.

[Pacheco] Prime Minister Brundtland will end her visit here this afternoon and depart for Lima. [end recording]

Holds Press Conference

PA202201 Caracas Television Service in Spanish 0000 GMT 20 Jun 86

[Excerpts] OPEC as well as non-OPEC oil-producing countries should decide on a common strategy in the next few months to seek the stabilization of the international oil market at all costs, and Norway is willing to help. This view was expressed by Norwegian Prime Minister Gro Harlem Brundtland today at a press conference held at the Yellow House [Venezuelan Foreign Ministry building].

In her talk with reporters, the illustrious visitor noted that the oil crisis affects all countries, industrialized or not. She added that a thorough, serious, realistic, and, above all, very objective study is needed to seek agreements in the face of a market such as the oil market, which shows day-to-day deterioration.

Mrs Brundtland kept a busy schedule during her short visit to our country. She received the president and secretary general of the Democratic Action Party. She then met with President Jaime Lusinchi at Miraflores Palace. At the end of the meeting, Foreign Minister Simon Alberto Consalvi said that the meeting was friendly, held within a climate of understanding.

Consalvi said that the two leaders analyzed oil prices and the market. After her meeting with Lusinchi, she went to the Foreign Ministry where other actvities were held.

The meeting at the Yellow House was a great opportunity to reaffirm the ties of friendship between Norway and Venezuela. Lusinchi and Consalvi welcomed the Norwegian leader. Members of the Cabinet, the diplomatic Corps, top military leaders, and leaders of all the political organizations, and guest were there.

Cancels Peru Trip

PA202010 Madrid EFE in Spanish 1730 GMT 20 Jun 86

[Text] Caracas, 20 Jun (EFE) -- Norwegian Prime Minister Gro Harlem Brundtland and the prime minister of Italy, Bettino Craxi, will not attend the Socialist International meeting to take place in Lima, official sources announced today in Caracas.

The Norwegian "premier," who arrived on Wednesday in Caracas on her way to Lima, last night postponed for today her departure for the Peruvian capital. The Norwegian Embassy in Venezuela informed EFE later, however, that on a request from the Scandinavian government, the prime minister will be returning this afternoon to Oslo.

The Italian Embassy has confirmed to EFE that Bettino Craxi, who was scheduled to arrive tomorrow in Caracas for a stopover on his way to Lima, has also decided to suspend his trip "for security reasons related to events in Lima."

More than 150 people died in the Peruvian capital on Thursday during prison riots that were brought under control by the Armed Forces.

The spokesman for the Norwegian Embassy could not explain the reasons why the Norwegian Government decided to call its prime minister back.

Several Socialist International politicians who will be present at the Lima meeting have met in Caracas. One of them is Willy Brandt, who has already left for the Peruvian capital after making a stopover in Caracas.

USSR'S GORBACHEV REPORTEDLY TO VISIT 'NEXT YEAR'

PA210247 Madrid EFE in Spanish 0206 GMT 21 Jun 86

[Text] Mexico City, 20 Jun (EFE) -- Soviet leader Mikhail Gorbachev will make an official visit to Mexico next year, according to a report from the local newspaper NOVEDADES, which cited President Miguel de La Madrid as its source.

"That is correct," the Mexican president said, when asked about the visit in a taped interview with U.S. television reporters on Monday, which will be broadcast in Mexico this weekend.

According to the source, President de La Madrid said that former Mexican Presidents Luis Echeverria Alvarez (1970-76) and Jose Lopez Portillo (1976-82) had visited the USSR, and he added: "I think it is time those visits are reciprocated."

Gorbachev's visit to Mexico, Argentina, Cuba, and Venezuela has been announced unofficially, according to dispatches from Moscow, which cite credible sources.

EDITORIAL STRONGLY REJECTS HELMS' STATEMENTS

PA210319 Mexico City UNOMASUNO in Spanish 18 Jun 86 p 3

[Editorial: "Senator Helms" Nonsense"]

[Text] It would be unjust and unobjective to blame the citizens of North Carolina who elected Jesse Helms as their senator for this character's singular behavior. No one an be blamed for not noticing that Helms, whose innocuous image is seen in newspapers and on television, is insane, a lunatic. Incidents such as Helms' election are, in any case, inevitable errors in the very respectable U.S. bipartisan democracy.

Fortunately, even the position of senator in the strongest country in the world is not enough to make extraordinary hoaxes such as those the imaginative Helms is trying to make his country's public swallow regarding the Mexican elections in 1982, seem serious or credible.

The victory of the government party's presidential candidate was so clear and unobjectionable that the opposition parties immediately accepted it. Helms' preposterous statement cannot stand up even to simple information such as this: According to the election certificates of July 1982, there were no claims from any party, not even the National Action Party [PAN]. Perhaps the PAN leaders are right when they say that statements such as Helms' cannot injure Mexico's sovereignty. They do not say this only because no credit whatsoever can be given a McCarthyite for whom the truth is worth nothing when it comes to discrediting those who are considered foes.

Helms' statements bring to mind, because of their absurdity, those incredible attacks by the Mexican ultraconservative Prieto Laurens who denied, for example, that the Soviets had the atomic bomb at the beginning of the 1950's.

If Senator Helms continues along these same lines, it will no longer be necessary for anyone in our country to bother with him. However, Helms is not a solitary accident. There are other ultraright-wing officials who, from the highest levels of the U.S. Government, continue to prepare new preposterous and unfriendly bills against Mexico. One of them is Erberd Temple, director of the U.S. National Guard, an official who, disappointed perhaps by the Border Patrol's inability to stop the flow of illegal aliens, has proposed that the U.S. Army take the matter into its hands and militarize the border.

Upon pointing out Temple's intentions, Antonio Rodriguez, director of the Pro-Visas and Rights for the Undocumented Coalition, [Coalicion Pro Viasas y Derechos Para los Indocumentados], reported the appearance of small racist groups throughout the Reagan administration who have directed their actions against the Mexicans who cross the border in search of employment. These small groups, along with extremists such as Temple and liars such as Helms, give a good idea of what is desired for our country in certain circles close to the Reagan administration.

FOREIGN SECRETARIAT NOTES U.S. CRITICISM OF HELMS

FL211312 Mexico City NOTIMEX in Spanish 0434 GMT 21 Jun 86

[Excerpts] Mexico City, 20 Jun (NOTIMEX) -- The Mexican Government today underscored the importance it attributes to the political separation adopted by the U.S. State Department in reference to the negative statements on the Mexican political system made by Republican Senator Jesse Helms.

A spokesman for the Foreign Secretariat commented favorably on the State Department's public criticism of Senator Helms. The State Department said there is no reason whatsoever to believe these charges, and there has never been any basis to support these accusations.

The spokesman expressed the Foreign Secretariat's satisfaction with the friendly spirit reflected in the statements made by the U.S. State Department and Senate. This corresponds, said the spokesman, to the statements made by President Miguel de La Madrid calling for dignified and productive treatment, which leads to positive results.

FOREIGN SECRETARY ON POLICY OF NONINTERVENTION

FL211246 Mexico City NOTIMEX in Spanish 0459 GMT 21 Jun 86

[Excerpt] Mexico City, 20 Jun (NOTIMEX) -- Foreign Secretary Bernardo Sepulveda Amor said today that the countries of the Contadora and the Support Groups are convinced that it is imperative to reach a political solution in Central America based on the principle of nonintervention, which should be respected by all the parties involved.

The foreign secretary said Mexicao categorically rejects any concept of assumed tolerated intervention. He said diplomacy has always allowed for negotiation, conciliation, mediation, and good skills, which, he added, do not allow for illegal interference in the domestic affairs of other states. Sepulveda Amor spoke during a dinner for Argentine Ambassador Dr Roberto Facundo Suarez and his wife in honor of the conclusion of his diplomatic service in Mexico.

AMBASSADOR CALLS FOR SOUTH AFRICAN SANCTIONS

FL211222 Mexico City NOTIMEX in Spanish 0448 GMT 20 Jun 86

[Text] Mexico City, 20 Jun (NOTIMEX) -- Once again Mexico has called on the international community to adopt urgent measures imposing obligatory sanctions to eradicate the inhumane system of apartheid practiced by the South African racist regime. The Foreign Secretariat reported that the call was made by Mexican Ambassador Luis Villoro, representative to the World Conference on Sanctions Against Racist South Africa which concluded its sessions in Paris, France.

During his speech, Villoro said apartheid is the negation of man by man and the antithesis of the principles on which the United Nations is founded. The ambassador called on industrialized countries to strictly comply with the resolutions of the UN organs which recommended to member-states that they suspend all relations with the South African Government which brutally repressed the Black population of Soweto 10 years ago.

FINANCE SECRETARIAT APPOINTMENTS REPORTED

FL201457 Mexico City NOTIMEX in Spanish 0455 GMT 20 Jun 86

[Excerpt] Mexico City, 19 Jun (NOTIMEX) -- Three new public servants have been appointed by presidential decree at the Finance and Public Credit Secretariat.

Raul Mendoza was appointed senior officer; Jose Scalli, customs director; and Hildegard Rohen, personal secretary of Finance and Public Credit Secretary Gustavo Petriccioli. They are replacing Juan Foncerrada Moreno, Victor Garcia Lizama, and Gustavo Mohar Berancourt, respectively.

SOVEREIGNTY PRIORITY OF GENEVA GATT TALKS

FL202028 Mexico City NOTIMEX in Spanish 0445 GMT 20 Jun 86

[Excerpt] Mexico City, 19 Jun (NOTIMEX) -- During the round of conversation in Geneva on Mexico's joining GATT, Mexico will seek to have the protocol limited to what the Constitution establishes and to the laws that protect the exercise of sovereignty and the authority of the state.

Senators Raul Salinas Lozano and Miguel Borge Martin, who are in Geneva with Under Secretary of Commerce Luis Bravo Aguilera, said it was their goal that Mexico be favored by GATT, in which 90 countries participate, with 31 more applying its mechanisms.

They said they will issue a call for international credit institutions to cooperate closely and permanently in the interest of Mexican economic development. They reiterated that there is no political, social, or economic objection to the Mexican Government's negotiating with GATT members on the terms that most suit the national interest.

CONFLICTING REPORTS CONTINUE ON CONFISCATED ARMS

PA210134 Panama City Televisora Nacional in Spanish 0000 GMT 21 Jun 86

[Text] International reports on the destination of the weapons confiscated by Panamanian authorities on the Danish ship Pia Vesta on Wednesday changed today, following information from U.S. intelligence reports and sources and from the shipping company that operates the cargo ship. In fact, U.S. intelligence sources have said that the weapons were destined for leftist guerrilla groups in Peru.

Nevertheless, Sven Anderson, president of the shipping company, said today in Copenhagen that the Soviet-made weapons and war materiel were destined for the Salvadoran Government. According to U.S. sources, which preferred to remain unidentified, the Pia Vesta transitted the Panama Canal on 12 May en route to Peru, where it remained anchored off the Peruvian coast for several days. The report says that the ship was apparently waiting for a fishing boat that was expected to pick up the cargo, but something happened, and the delivery was never made.

Given the situation, they decided to return; the confiscation was carried out in Panama. The cargo includes 32 trucks, 3,000 AK-47 rifles, and 3,000 RPG-18 rocket launchers -- all Soviet-made. According to the shipping company's report, they were scheduled to deliver the cargo to a Salvadoran representative at the port of Balboa.

U.S. DENIES CHARGES 'INSTIGATED' BY GOVERNMENT

PA201925 Madrid EFE in Spanish 2206 GMT 19 Jun 86

[Text] Washington, 19 Jun (EFE) -- Today, the U.S. Administration insisted that the accusations against the head of Panama's National Defense Forces, General Manuel Antonio Noriega, "were not instigated by the U.S. Government."

James Michel, principal deputy assistant secretary of the Bureau of Inter-American Affairs and member of the House of Representative's Select Committee of Narcotics Abuse and Control, stated that "it is not government policy to promote such reports in the newspapers."

Last week THE NEW YORK TIMES reported that according to U.S. Administration and intelligence sources, Noriega was involved in money laundering, drug trafficking, gun running, and spying for Cuba. The Panamanian Government then requested a "clarification" of these attacks, which were replied to by U.S. Ambassador to Panama Arthur Davis. The diplomat said that it is the intention of the U.S. Government to continue collaborating with the Panamanian authorities in the fight against drugs, not to speculate about such information.

Michel admitted that the accusations are "serious," but said they should not prevent a "forging ahead" in the cooperation between the two countries, which has "not been superficial." He said: "There is cooperation in the destruction and fumigation of the marijuana crops in Panama... one of the most successful countries in seizing drugs by both sea and air." Michel insisted that "the Government of Panama must understand that this is not an issue between the two countries. It is a problem of a newspaper. It involves an article in a daily, not government policy."

Charles Rangel, a Democrat and chairman of the committee, asked how the administration could possibly not know what sources were used by THE NEW YORK TIMES.

Neither Michel nor any of the other officials present could clear up the congressman's doubts. They said that the reports were not supplied by their departments. The principal deputy assistant secretary said: "I have no information that there was any intention to encourage the publication of this article."

Rangel asked the officials to explain why Congress has lately been hearing accusations against the Contadora Group member-countries (Panama, Mexico, Colombia, and Venezuela), one after the other.

In addition to the attacks against the Panamanian military chief, U.S. officials last month accused Mexican authorities of corruption, "ineffectiveness," and "incompetence" in the struggle against drug trafficking.

Michel stated: "Obviously" we have an interest in the Contadora peace process, and "we understandably support its implementation," but "we do not encourage anyone to punish the leaders of these countries." Soon afterward the congressman told the media: "We do not know where these accusations stem from. We shall wait for the next country." Rangel added: "If this is a strategy, it is not the best one."

OPPOSITION LEADERS CALL FOR NORIEGA'S REMOVAL

PA200432 Panama City ACAN in Spanish 0403 GMT 20 Jun 86

[Excerpts] Panama City, 19 Jun (ACAN-EFE) -- More than 1,000 people gathered [on 19 June] in front of the attorney general's office, where the relatives of former guerrilla member Hugo Spadafora formally announced that General Manuel Antonio Noriega is "involved" in his murder.

"Noriega's dictatorship has closed all the doors of justice for us, and we have come to the conclusion that justice will never prevail without democracy in Panama," Winston Spadafora stated.

During the event, which included the attendance of the presidents of the opposition Christian Democratic and Panamenist Parties, the people shouted, "Noriega, you tyrant, your end is near," among other slogans.

Arnulfo Arias Madrid, 84, Panamenist leader, who has been president of Panama three times and is currently the strongest opposition leader, indicated: "Morally speaking, Noriega is dead already. He will be physically dead soon." He added: "I can see very clearly that soon the boys will rise up in the National Guard and will evict the drug traffickers." The demonstrators cheered Arias Madrid as "the true president of Panama," elected in the 1984 elections which the opposition terms "fraudulent."

Christian Democratic Party President Ricardo Arias Calderon said: "Noriega will pass into history accused of the most serious charges in Panama's history." Regarding the THE NEW YORK TIMES charges, Calderon said: "Although we knew it already, these charges disclosed that the U.S. Government has backed the Panamanian Government, fully aware of its faults." Arias Calderon also said: "We do not ask the United States to make our democracy for us. We do demand, however, that it cease its support for the military dictatorship and tell the whole truth regarding the military leaders' illegal activities."

According to Arias Calderon, "in alphabetical order, Noriega of Panama comes after Marcos of the Philippines."

"The time has arrived for responsible officers and troops to recognize a new chief of the National Guard and to do so soon," Arias Calderon said. The demonstration proceeded without any incidents.

Calderon Speech Criticized

PA202242 Panama City CRITICA in Spanish 20 Jun 86 p 1

[Upper Case passages published in English]

[Text] The speech delivered by Ricardo Arias Calderon [president of the Christian Democratic Party, PDC,] at yesterday's minimeeting -- during which the name of the doctor-guerrilla Hugo Spadafora was used for political purposes with his relatives' consent — has been strongly criticized by the community, particularly by Catholic circles and civic clubs.

Ariab Calderon finally took off his mask and requested a "Panamanian bloodbath," but "NO MADE IN U.S.A."

He strongly criticized the United States for "trying to export democracy to us," and said that "the Panamanian democracy should be forged in the Panamanian style, with much Panamanian sweat and blood, and NO MADE IN U.S.A."

On 1 May, during the XVI Eucharist Supper, Archbishop of Panama Msgr Marcos Gregorio McGrath asked Panamanian politicians to "demolish the walls of hatred and personal interests that divide us so that we can shake hands look each other in the face, open our hearts, and become a single people, a single man of Christ."

During his speech, Arias Calderon virtually called the civic club leaders cowards for not being present at the political meeting. Arias Calderon then predicted: "Their consciences will bother them tonight." He also extended an invitation to participate in the march organized by the civic clubs that will take place next week, which the participants found puzzling.

Regarding Arnulfo Arias, he said that "he has already fulfilled his duty and has made all the necessary sacrifices as a politician, considering his advanced age."

In conclusion, and in the opinion of some observers, the meeting was a comical event, in which the main actor was the aged leader Arnulfo Arias. The only one who had no fun was Arias Calderon, who became frustrated when he realized how ridiculous he looked and then, showing all his fury and hatred, decided to insult the civic club leaders and the United States.

CHIRIQUI BOARD DEMANDS NORIEGA'S REMOVAL

PA221703 Panama City LA PRENSA in Spanish 21 Jun 86 p 1

[By Wilfredo Justavino]

[Excerpts] David, Chiriqui -- The Civic Political Coordinating Board of Chiriqui [Coordinadora Civico Politica de Chiriqui] has demanded the immediate removal of the commander of the Panamanian Defense Forces for the time that it takes to investigate the charges that U.S. newspapers have presented against him.

At the same time, the Coordinating Board announced actions in the provinces to create the necessary awareness "now that Panama's prestige and integrity are at their lowest level due to the activities of he who exercises real power in the country."

At the end of a meeting convened to analyze the delicate national situation, the Coordination Board, which represents the Opposition Democratic Alliance and the civic fronts of the Province of Chiriqui, released a communique demanding that the attorney general's office and the Legislative Assembly carry out a thorough investigation of the charges of drug trafficking, espionage, complicity in the murder of Dr Hugo Spadafora, and supplying weapons to guerrilla groups in friendly countries that have been presented against General Manuel A. Noriega.

In the first reaction that THE NEW YORK TIMES report elicits in Chiriqui, the civic and political groups asked the people of Chiriqui to identify with the demands presented to those in charge of safeguarding justice in Panama.

The strong statement is signed by Dr Sergio Anguizola and Emilio de Leon for Molirena [Nationalist Liberal Republican Movement]; Jose Domingo Torres and Camilo Brenes for the Christian Democratic Party; Edgar de Puig, Harmodio Barrina, Narino Perez, and Orlando Guintero for the Authentic Panamenist Party; Erick Fidel Santamaria, Jose A. Rodriguez and Miguel B. Sanchez for the Civic Front of Chiriqui; and Carlos Secchi and Milagros Sanchez for the Independent Youth Movement [Movimiento Independiente de Jovenes].

STUDENTS DEMONSTRATE, DEMAND ECONOMIC SOLUTIONS

PA220334 Panama City EXTRA in Spanish 21 Jun 86 pp 28, 2

[By Victor de la Hoz]

[Text] EXTRA has determined that street protests could continue in Colon next week unless the government finds solutions for the province's tragic situation. Yesterday morning students from the IPTC [nor further identified], the Abel Bravo secondary schools, and the University Regional Center blocked the entrance to the city with a huge truck for 4 hours, isolating the province. The Colon students have been staging street protests for 5 days and demanding immediate solutions by the Central Government for the city's various social and economic problems.

After removing the roadblock, the secondary school and university students marched toward the governor's office, where they hurled stones at the offices and shouted slogans against President Delvalle. This caused the intervention of Defense Forces members, who scattered the demonstrators. In view of the street disturbances, shops were closed until early in the afternoon. No detentions or injuries as a result of yesterday's violent actions have been reported. EXTRA learned that the students made up their minds to protest when the president of the Republic did not attend a meeting at the governor's office Thursday. Instead, he sent Housing Minister Roberto Velasquez. This angered the student, and they rejected the intermediary because they had demanded Delvalle's presence.

COSTA RICA

MADRIGAL DISCUSSES CONDITIONS FOR CONTADORA

PA201715 San Jose Radio Reloj in Spanish 1200 GMT 20 Jun 86

[Text] All arms negotiations must be finished prior to the signing of the [Contadora] peace act so that there is, to begin with, a moral commitment that later would also become a legal commitment, Foreign Minister Rodrigo Madrigal Nieto has stated. Otherwise, he noted, the peace act would be worthless, because if a difficult issue such as armaments is left for discussion after the signing, those negotiations could go on forever because there are many reasons for not reaching an agreement on that.

He said that the best moment for putting on some pressure so that the parties come to an agreement is, precisely, the moment of signing, and for this reason we think that some aspects of the act must be seen as a commitment at the moment of signing the act. The proposal of establishing a table of strength appraisals was for the purpose of establishing the amount of arms that each country could have and of promoting a state of armament equality among the nations of the area.

Foreign Minister Madrigal Nieto said in this regard that the new Contadora Act contains this proposition but it also includes subjective elements such as the degree of security that a country feels it requires and the expenditures-gross national product ratio, which places no limit on the donated weapons a country may receive.

Madrigal Nieto made it clear that the reason for limiting armaments is not for economic reasons but for the purpose of achieving peace. The minister noted: Costa Rica in no way wants to drown or lay siege to Nicaragua. What we want, he added, is to open a negotiating door leading to its democratization, but we have not seen that type of opening in Nicaragua yet.

The act does call for a democratization process in the area, especially in Nicaragua, but it does it in a very vague way -- by pointing to a series of philosophical principles. It is necessary to be more specific on this, the foreign minister said. As long as there is no possibility of setting deadlines for compliance with a series of actions necessary for forming democratic infrastructures in Nicaragua and in the other countries of the area, it will be very difficult to find peace, the minister said.

The peace process in Central America is not limited to there being more or fewer weapons, to strictly war actions, or to a cessation of the violence, the foreign minister said. We are convinced, he noted, that peace is an all-inclusive value that can have support only in a democratic environment. We are convinced that peace must be viewed as the people's way of life. The minister noted: This is why, as far as Costa Rica is concerned, it is essential that there be verification of compliance with political commitments at the expiration of each deadline. In the search for democracy and peace it is perfectly natural that sovereignty be somewhat shared, and this is what the Contadora Act seeks; that the countries, limiting their sovereignty somewhat, contribute effectively to peace in the region, the foreign minister said.

Madrigal Nieto made this statement when referring to questions by some people that actions of this nature are viewed as interventionist. Referring to the Contadora Act, he said that the entire document is conceived on the proposition that the countries that compose that group, as well as others, can supervise, make suggestions and changes, and put limits on activities.

PLN DELEGATION NAMED FOR SI CONGRESS IN PERU

PA222336 San Jose LA PRENSA LIBRE in Spanish 17 Jun 86 p 1

[Text] Former President Daniel Oduber leads the National Liberation Party (PLN) delegation which departs today for Lima, Peru, to participate in the Socialist International Congress which will be held this week. He is accompanied by Rolando Araya Monge, Elias Shadid, Alfonso Estevanovich, Enrique Carrera, and Ricardo Castro.

EL SALVADOR

REBEL LEADERS, RIVERA Y DEMAS MEET ON TALKS

PA212304 Paris AFP in Spanish 2204 GMT 21 Jun 86

[Text] Mexico City, 21 Jun (AFP) -- Representatives of the Salvadoran guerrillas met with the San Salvador archbishop in Mexico City on 20 June to plan the resumption of the dialogue with the Salvadoran Government, rebel sources stated here today. As the intermediary, Msgr Arturo Rivera y Damas delivered the proposal of Salvadoran President Jose Napoleon Duarte on a third meeting between the government and the guerrillas, according to an FMLN-FDR communique. They pointed out, however: "It is remarkable that Duarte's message does not propose a date, although in his original announcement and later statements he suggested the possibility of holding the meeting in late July or early August."

The FMLN stressed its hopes that the Salvadoran Government can "fill this gap through the established channels as soon as possible." The guerrillas added: "Our fronts reiterated to the intermediary our willingness to continue the dialogue process for a political solution. The dialogue was unilaterally interrupted by the government in November 1984." Furthermore, they said that, nevertheless, the FMLN-FDR insisted that the "next dialogue meeting be held in San Salvador and at the highest level."

Duarte Comments

PA210204 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 20 Jun 86

[Excerpt of statement by President Jose Napoleon Duarte followed by news conference with unidentified reporters at the Geothermal Research Center of the Lempa River Hydroelectrical Executive Commission on 20 June -- recorded, broadcast in process]

[Excerpt] ...and we go out to meet them anywhere. And we say, gentlemen, we did not achieve anything, there is no solution. What happens from then on? The talks are so delicate that we cannot kill that instrument. We must breathe life into it. We must support it. I realize that you have been doing just that, and we have done a good job. You have tried to keep the Contadora Group document and effort alive, so that they do not die. Contadora is a good forum. We feel the same way about the talks. They should not die because they are good forums.

And so this is the strategy which I have publicly and openly proposed. This is the proposal I wanted to make so that the talks turn into a good thing. Obviously, you will listen to statements by political and armed guerrilla sectors reflecting a negative attitude.

You have listened to them say that I am doing this because according to some, I am weak or that I am [word indistinct], and still others say that U.S. President Ronald Reagan is doing this for propaganda purposes. All these statements are negative or selfish. I believe that the important thing all of us must understand is how we can achieve peace. Each one of us, including you newsmen, have the moral obligation with our people to help in finding the path towards peace.

For that reason, I ask for your understanding and support for the talks. We know that it is not easy. We know that we cannot achieve a solution overnight. However, we must also know that we have to strive for peace. This is what I am doing, and will continue to do. I will continue seeking all the formulas that come to my mind to find peace. All right?

[Reporter] When, where, and who will participate in the meeting [words indistinct]?

[Duarte] I do not know that, because that will depend on the talks held by Archbishop Arturo Rivera y Damas. He will tell me when he knows. I have made my proposal. If the armed rebels agree, then the mechanisms will be established. In the meantime, we still do not know.

[Reporter] Mr President, will you participate?

[Duarte] It depends. It depends on what is worked out. There could be task forces to make a point-by-point study, or to establish a preliminary meeting on what points will be discussed. To begin with, I see commissions to seek and discuss each point at length. In sum, there are different modes. I cannot tell you, because I do not know, what will be the mode that we will definitively choose. I have proposed that in order to be effective, the talks must be sincere, open -- meaning without any sort of inhibitions. They should be like the talks we held in Esquipulas with Daniel Ortega. At first, there was a bit of tension, or protocol. Then, we said, let us speak frankly; look, Mr Ortega, and so on and so forth, and he would say, but look, and so on and so forth. We began to speak frankly then. Since we were speaking honestly, a number of things began to come out which opened the door for future meetings to discuss the Central American problems. I believe that we can do the same thing here. I am doing that with all sectors, that is, private enterprise, political parties, everybody.

FDR-FMLN Communique

PA220224 (Clandestine) Radio Venceremos in Spanish to El Salvador 0138 GMT 22 Jun 86

[Text] FDR-FMLN Communique to the Salvadoran people and the international community:

1. On 20 June 1986 representatives from our fronts met in Mexico with Msgr Arturo Rivera y Damas, archbishop of San Salvador, who is the mediator in the dialogue process.

2. Msgr Rivera y Damas presented to us the official position of Engineer Jose Napoleon Duarte regarding the realization of the third meeting between our forces and the government.

3. It is interesting, however, that Engineer Duarte's message did not establish dates or meeting periods although in his initial announcement and later statements he had suggested the possibility of holding the meetings at the end of July or beginning of August. We hope that Engineer Duarte will fill this void as soon as possible by the established means.

4. Our fronts reiterated to the mediator our willingness to continue the dialogue in search of a political solution, which was broken unilaterally by the government in November 1984. We also reiterated our adherence to the agreements made at the meetings in La Palma and Ayagualo, and consequently are willing to make an agreement on issues such as the place, date, agenda, and procedures for the continuation of the dialogue.

5. The La Palma and Ayagualo agreements clearly established that the dialogue meetings are to discuss the points of view and the proposals made by either side.

6. The representatives of our fronts reiterated to the mediator that the next dialogue meeting should be held in San Salvador, and that it should be at the highest levels on both sides.

San Salvador, 21 June 1986

DUARTE DISCUSSES ECONOMIC POLICY, DIALOGUE

PA201416 San Salvador Canal Doce Television in Spanish 0300 GMT 19 Jun 86

[Text] On 18 June President Jose Napoleon Duarte flatly denied that new taxes or a new devaluation of the Salvadoran currency are being considered.

[Begin recording] [Unidentified reporter] Mr President, is it true or false that a new currency devaluation and new taxes are being considered?

[Duarte] It is absolutely false. No new devaluation has been considered. I will analyze the situation every 6 months to correct what must be corrected and strengthen the country's economic process. This is my duty and my task. The rumor about devaluations or new taxes is absolutely false. It is very important for the news media not to contribute to confusion and fear. If we all want to save the country, we all should be positive rather than negative. This is why I ask the news media, particularly Canal Doce, to broadcast hope rather than frustration.

[Reporter] It has been said that the IMF has been pressuring you into devaluing the national currency. This was said in a paid advertisement.

[Duarte] Look, this has been occurring all the time. You might remember that since 1979, when we assumed office (?from) the junta of the government, there have been stances of the [words indistinct] to establish what we might term economically-oriented criteria that sometimes clash with reality. I cannot ever make a decision to simply correct economic problems. The people's needs should be considered simultaneously. I will give an example. Once the currency has been devalued, it would be logical for flour to cost twice, three times, or four times the current cost. Yet is was necessary to subsidize this product, although subsidizing represents a policy in opposition to an economically-oriented policy. But I could not permit some of the most vital things to cost more. The raising of salaries, as was done at the outset of the economic changes implemented on 21 January when we raises salaries, is also not in line with the policy proposed by organizations and technicians. They say a recession is needed so the costs do not go up [words indistinct]. Yet I cannot permit the people to suffer. I try to find ways to have them suffer less.

[Reporter] Mr President, is there anything new on the dialogue?

[Duarte] Well, we are working on this. We have met with Msgr Rivera y Damas. I think he said during his homily that he had met with me. We have held preliminary talks. Later, we will make efforts so that we can hold a dialogue with a spirit of understanding rather than a spirit of confrontation. Some have asked me some questions, whether I accept this or that. Look, the guerrillas have said this or that, that they do not agree with this or that, that they do not agree with the Constitution. All these things are negative. I do not want to speak about negative things. I want to speak about positive things.

[Reporter] Mr President, members of Congress have said that you seek a third round of talks because you have lost [words indistinct]. Some said the new economic measures sound like a puzzle.

[Duarte] I heard you make this comment over Canal Doce last night. [passage indistinct] Some have interpreted this like that. I feel you must understand that I am not the president to gain or lose prestige. The president's objective is not this. His goal is to confront the problems and settle them. One of the things I promised the people -- and the people know this -- is that I will always make an effort for peace. Look, this is not the first time. We met in Ayagualo and La Palma. Later, members of the two sectors met in Germany, later in Panama. In the case of the kidnapping of my daughter and the mayors, there was a 2-day meeting in Panama City. Later, we met in Peru. Now I speak of a third meeting. I am constantly making efforts to seek peace. Of course, this could not be a mere chance or a mean stance like the one that they have been assuming. [end recording]

FURTHER ON REBEL ATTACK ON 3D INFANTRY BRIGADE

Vides Says Assault Expected

PA210408 San Salvador Canal Doce Television in Spanish 1900 GMT 20 Jun 86

[Report by Marco Antonio Guevara]

[Excerpt] Defense Minister General Carlos Eugenio Vides Casanova has said that the attack against San Miguel's 3d Infantry Brigade was to be expected, because the guerrillas wanted to give a show of military force on the eve of the new talks. After a ceremony to swear in 235 recruits at the Armed Forces Telecommunications Instruction Center, CITFA, Vides Casanova added that the number of soldiers killed during the attack has risen by three or four more. Howver, the Army's morale continues to be very high, he said.

[Begin recording] [Unidentified reporter] Does the intelligence unit have anything new on the San Miguel attack?

[Vides] No. Combing operations in the area are continuing. I believe that another three or four soldiers have died, and five more reported to be injured. The situation remains normal. The damaged area at the installations has been cleaned up. We hope to rebuild the dormitories, the area damaged, in a short time.

[Reporter] Were the guerrillas who went in mistaken for recruits?

[Vides] That could be. We do not have precise information. It is almost certain that in these situations, one or two persons who are infiltrated bring back some information. Still, we do not have any precise confirmation based on the information we have gathered.

[Reporter] General, do you think that the rationing of electricity in San Miguel helped the subversives' operation?

[Vides] That is possible. These kinds of actions almost always follow previous sabotages to distract the security forces guarding the area. It could provide them an opportunity to get closer without being seen. Sometimes it happens that when the garrisons' own generators go on, these are the only places lighted in the night. That enables the subversives to launch mortar fire from a distance.

[Reporter] Where were the guerrillas killed, during the Armed Forces' pursuit operation or inside the garrison?

[Vides] The ones we counted were near the garrison. Some were near the first security fence, others a little closer to the area outside. As you realize, there were not more casualties because during an attack of this nature we have to reorganize everything. Commonly, when a pursuit operation is planned there are more casualties.

[Reporter] After this terrorist attack, do you still support talks with the terrorists?

[Vides] Yes. As I was telling you, we had foreseen all of this. Every time there are talks, they conduct an operation before, during, or after the talks in order to show that they still have some military capabilities. They have always done so, and they will continue to do so. We are trying to take all the necessary measures. They have seen that many of their attacks have failed. Even the attack against San Miguel failed. They were only able to attack with mortars from a distance. From a military viewpoint, the operation was not a success. They were unable to seize weapons, capture people, or destroy important installations. Moreover, they were unable to seize control of civilians. [end recording]

Duarte: Dialogue Intact

PA210309 Panama City ACAN in Spanish 0141 GMT 21 Jun 86

[Excerpt] San Salvador, 20 Jun (ACAN-EFE) -- Salvadoran President Jose Napoleon Duarte said today that the guerrilla attack on the 3d Infantry Brigade of San Miguel "was a failure and will not hamper the dialogue process." Early Wednesday, four FMLN battalions attacked the San Miguel garrison in the country's east with large caliber weapons and caused 253 army casualties, including dead and wounded, rebel sources stated. The Army admitted it sustained 50 casualties and reported the death of 19 rebels. After an apparent 8-month withdrawal, the guerrillas' attack occured with only 20 days [as received] to go before the third dialgoue called by President Duarte to be held early in August.

Duarte pointed out: "Although the process of a dialgoue is difficult because my government and the guerrillas hold opposite positions, we still can find points of agreement." During a press conference held after he opened the Center for Geothermal Research in the capital's outskirts, Duarte said: "The rebels are trying to weaken the dialogue process with these kinds of military actions." He added: "Guerrillas do not want dialogue. They have said they are not willing to lay down their weapons. They do not accept the Constitution, elections, democracy, and the government and do not regard as legitimate the established power." The president said: "This means that they do not want a dialogue; they only want to impose themselves by force."

1st FMLN Communique

PA191603 (Clandestine) Radio Venceremos in Spanish to El Salvador 1200 GMT 19 Jun 86

[Communique No 1 on the "Commander Yaneth Samour, on the March to Victory We Avenge Your Blood" operation, issued by the FMLN General Command on 19 June -- all numbers as heard]

[Text] At 0000 on this Thursday, 19 June, four battalions of the Rafael Arce Zablah Brigade, the Commander Clelia Northern Group and the Commander Gonzalo Southern Group, backed by support weapons columns, jointly with a column of the Luis Adalberto Diaz Detachment and the Dagoberto Soto Urban Group, carried out the "Commander Yaneth Samour, on the March to Victory We Avenge Your Blood" operation.

This operation is named after a companera who was captured, declared missing, and murdered by the Duarte dictatorship. National guardsmen captured Commander Yaneth Samour together with companera Maximina Reyes. Then they were turned over to Colonels Staben and Mendez, who kept the case in their hands, subjecting these companeras to cruel torture. Colonel Mauricio Staben first ordered that Commander Samour's leg be cut off and then one of her hands in order to force her to supply information and as cowardly vengeance for the execution of Colonel Monterrosa.

These two companeras were murdered and buried by national guardsmen near Chinameca.

Countless requests were made that the lives of Samour and Reyes and their rights as prisoners be respected. These efforts included petitions to Bishops Rivera y Damas and Rosas Chavez, who refused to intercede, or at least report the case responding to the request of the top command and engineer Duarte to keep silent. During the negotiations to release Guadalupe Duarte, Duarte admitted to a foreign mediator that the two companeras had been killed.

Samour and Reyes maintained proud and heroic behavior by not giving any information to the enemy and rejecting proposals to betray the people's interests.

We recognize commander Samour's death and pay homage to her heroic death, but we will not cease our demand for justice for her and all the patriots who are missing.

The operation carried out by our forces consisted of a widespread maneuver which included the participation of four battalions. This operation involved an annihilation attack on and assault on the installations of the 3d Infantry Brigade Headquarters in San Miguel. We used a mortar battery, 90-mm cannons, and RPG-7 rocket launchers in this attack.

2. Attack on positions north of the 3d Brigade which are part of its peripheral defense.

3. Attack on El Papayal microwave installations by a battalion reinforced with support weapons in order to destabilize the enemy's communications and antenna. We used heavy 50-cal machineguns, 81-mm mortars, one 90-mm cannon, and RPG-7 rocket launchers in this attack.

When we drafted this first communique at 0230, the attack continued and we were holding positions inside the 3d Brigade garrison. Many casualties had been inflicted on the enemy, who desperately asked for air support and received that from a type 47 gunship and helicopters with rocket launchers which were firing over densely populated areas in the outskirts of San Miguel.

This strategic FMLN operation against the main garrison of the eastern region and the headquarters of the region's strategic command has occurred only a few hours after the top command put a quiet end to another well-announced and useless operation in northern Morazan in which its troops, after sustaining 195 casualties, withdrew without accomplishing anything but their own disaster.

The top command has been putting a quiet end to the "Phoenix" operation in Guazapa, "Chavez Carreno" in Chalatenango, and the one in northern Morazan seeking to give the impression that they are still underway, when the truth is that its troops could not resist and withdrew from the areas.

The attack on the 3d Infantry Brigade was carried out a few hours after the top command kept the elite Arce, Atonal, Atlacetl, Bracamonte, Paratroopers, and part of the Belloso Battalions operating in the eastern region. This means that almost all the elite forces were there because it kept only part of the Belloso Battalion in the Guazapa area.

This demonstrates the uselessness of the operations and shows that the Army cannot stop our strategic plans for expansion of the way, attrition, destabilization, and strategic blows to vital positions. The FMLN maintains the initiative. We impose the war pace and we use our forces in the way and at the time we want. We wear the enemy out, accumulating forces and progress. The Army military activity is a combination of repression of the people. It seeks to justify the continuation of the U.S. aid, the bulky budgets, and the millionaire robbery by the high command.

This action today, 19 June, against the 3d Infantry Brigade garrison, is a reminder to the Duartist government that we are willing to have dialogue, but we will never lay down the arms. Peace will never be possible without social justice. There will never be peace. We are not willing to participate in dialogue and repression maneuvers against the workers. We want to have a dialogue taking into account all demands of the people, supported with our rifles. Duarte seeks to use the dialogue to conceal the packaged swindle, the missing people, the political prisoners, and the repression against the workers' strikes. We will not take a step backwards and demand respect for the people's demands.

The strategic operation carried out today has a tremendous significance for us, because its completion required a great support and people's participation for many days. This means a high quality step, which, united with the many guerrillas and militia contingents which are being organized and are operating throughout the national territory, make up a strong and dreadful step towards victory.

In the next few hours we will issue Communique No 2 of operation "Yaneth Samour, on the March to Victory We Avenge Your Blood." In Communique No 2 we will provide more information on this operation. Here, and concluding this Communique No 1, we confirm the success of the main and secondary missions of this plan. Our forces took over the 3d Infantry Brigade garrison and have caused many casualties and much material damage. We repeat, our forces took over the 3d Infarntry Brigade garrison and have inflicted many casualties and much material damage. Because the blood of the patriots is never forgotten, Commander Yaneth Samour, on the march to victory, we avenge your blood. Revolution or death, we will win.

General Command of the FMLN

Commanders Roberto Roca, Shafik Jorge Handall, Leonel Gonzalez, Ferman Cienfuegos, Joaquin Villalobos

El Salvador, 19 June 1986

FMLN Communique

PA191954 (Clandestine) Radio Venceremos in Spanish to El Salvador 1830 GMT 19 Jun 86

[Communique No 2 on the "Commander Yaneth Samour, on the March to Victory We Avenge Your Blood" operation, issued by the FMLN General Command on 19 June]

[Text] Initial reports from Commanders Raul, Javier, Jeremias, Alfredo, Plutarco, and Leoncio Pinchinte, who were in charge of the battalions and zone forces that carried out the attack on the 3d Infantry Brigade headquarters from six different directions, have supplied the initial results of the overall maneuver.

The reports are the following:

1. Our forces maintained their attack on El Papayal until 0400, inflicting casualties and damaging the microwave antennas.

2. The following towns are seized: Chapeltique, Yamabal, and Sensembra, and fighting was continuing at 0800 in Yamabal and Sensembra.

3. Our forces dislodged the peripheral defense of the 3d Infantry Brigade Headquarters in Agua Santa, 5 km north of the 3d Brigade, killing and wounding enemy troops.

4. The main direction of the annihilation attack on and assault of the installations of the 3d Brigade was totally successful because our forces seized control of the installations for 4 hours. The enemy forces that survived the initial attack fled in disarray and gathered in two places: the southern gate on the Pan-American Highway, and the rest of them sought refuge in the former garrison known as The Forrest which is now a military hospital.

Our forces, using fire and demolition charges, completely destroyed or partially destroyed the barracks of all the brigade's battalions and other installations, which make up a total of more than 10 buildings. We destroyed three buildings which lodge the [name indistinct] batallion, two buildings which lodge the Leon Battalion, and two larger buildings which lodge the Atlacatl and Cobra Battalions.

According to initial reports, the casualties inflicted in the attack on the brigade amount to 211, including the dead and wounded, inside the garrison, and 42 casualties in the rest of the attacks of this maneuver. Therefore, according to an initial report there were 253 dead and wounded troops.

Our forces kept the brigade under their control for approximately 4 hours, during which time they destroyed three helicoptors on the ground. These helicoptors were inside the garrison. We also destroyed the offices of the U.S. training personnel, and possibly there are some of them who were killed or wounded.

It was fully confirmed that, in this attack, we killed from four to six helicoptor pilots stationed at the 3d brigade. We repeat: It was fully confirmed that four to six helicopter pilots stationed at the 3d Infantry Brigade died in this attack.

As a result of this attack we destroyed more tan 300 M-16 rifles and dozens of support weapons inside the installations. They were left useless as a result of the fire and the explosions.

According to initial reports, our forces recovered the following war materiel which was all that was in good shape: 1 90-mm canon, 1 M-60 machine gun, 55 M-16 rifles, a large quantity of ammunition, 2 TRT-77 military communications radios, communications equipment of the 3d Infantry Brigade's command post, important intelligence information from the files of the garrison's command, and other military supplies. Our forces withdrew from the installations at 0400 today after fulfilling their mission completely.

Colonel Mendez, the brigade commander, was not inside the garrison at the time of the attack, and this allowed him to survive the [words indistinct] attack, whose mission was to kill or capture him.

At 0900 today columns of smoke are still coming out of the 3d Infantry Brigade. Coprefa is probably already trying to see what it can do to at least decrease the harsh nature of our blows which, due to their strength and effectiveness, have already caused great commotion and demoralization among the puppet Armed Forces. Inside the 3d Brigade we left the (?undeniable) signs that our forces occupied and destroyed most of the garrison, and if this isn't true let the media go to the site of the incident and let them be allowed to watch the destruction.

For our part, we admit that 12 companeros heroically died in combat, but we will give more details on them in the next few hours.

Because the blood of patriots is never forgotten.

Commander Yaneth Samour, on the march to victory we avenge your blood!

FMLN General Command

HONDURAS SANCTIONS OPERATIONS ON DISPUTED BORDER

PA202335 San Salvador Canal Doce Television in Spanish 0300 GMT 19 Jun 86

[Text] The Honduran and Salvadoran Armed Forces have agreed to coordinate actions to prevent the FMLN guerrillas from operating in the territories under dispute by the two countries. This was reported by the commander of Detachment No 4 of Morazan.

[Begin recording] [Unidentified reporter] The Honduran Army is cooperating with the Salvadoran Army, allowing its troops entry into the territories under dispute, better known as pocket territories, Lieutenant Colonel Maruicio Ernesto Vargas, commander of detachment No 4 of Morazan, reported today. Interviewed over the telephone, the military commander said that the Honduran and Salvadoran Armed Forces have met to coordinate actions.

[Vargas] We met to coordinate actions. The peace treaty expressly prohibits both countries' entry into the territories now under dispute or litigation, without the written consent of the two parties.

The Honduran Army and Government consented to our entry, but these entries are restricted to brief, rapid-deployment operations, during which we can stay in the area for short periods of time. However, we cannot station men in the area, primarily because this area is currently under litigation in The Hague.

The two Armies are indeed coordinating their actions and cooperating with one another. And yes, it is a fact that the rebels use the pocket territories as a safehouse, rearguard, or base of operations.

[Reporter] Lt Col Vargas also reported on clashes in the volcano range area on 16 June.

[Vargas] The Jose Manuel Arce Battalion's infiltration patrols overcame a rebel column in Las Trojas, approximately 4 or 5 km from the border. A heavy clash ensued. This was on the afternoon of 16 June. Sporadic clashes took place in other areas.

[Reporter] Some 3,000 troops, with air and artillery support, began the "Heroes of Joateca" military operation in northern Morazan on 12 May [as heard]. According to Vargas, they have inflicted 55 dead and 14 wounded on the rebels so far, while the Army has reported 14 dead and 28 wounded. He added that the troops discovered a guerrilla camp containing 15 bodies of presumed rebels. The troops dismantled 43 camps, 14 weapon caches, and a clandestine field hospital. [end recording]

HONDURAS

LOPEZ CONTRERAS DISCUSSES RESPONSE TO CONTADORA

PA210207 San Pedro Sula LA PRENSA in Spanish 20 Jun 86 p 4

[Text] Tegucigalpa -- After saying that "tensions between Honduras and Nicaragua have decreased substantially," Foreign Minister Carlos Lopez Contreras announced yesterday that Honduras is preparing a document that contains a response to the document presented by the Contadora Group, with which our country is not in accord because it does not satisfy security needs. The foreign minister said that Honduras has decided against accepting the proposal of the Contadora Group, because "although the group has resolved the basic aspects of the Central American conflict, it has not achieved an agreement in regard to the issues of mutual cooperation and security.: Lopez Contreras explained that what has happened so far in the negotiations is a sort of "impasse," but the causes of the tension have not been mentioned, because to deal with them "a great deal of caution and thought is needed."

On 6 June the Contadora Group informed the Central American countries of its "inability to continue making efforts to achieve peace in the region" and regard" and presented to the countries a new document on which the five Central American foreign ministers will make a statement within the next few days. Asked if it is true that the counterrevolutionaries have a "new Nicaragua" in Honduran territory, the foreign minister said: "That is false according to the information I have at hand."

A report in the U.S. newspaper THE MIAMI HERALD, republished by a local newspaper recently, maintained that the contras have practically put in place "a new Nicaragua" in Honduras. "This is false according to our information," Lopez Contreras reiterated.

Upon referring to the accusations against Honduran Armed Forces officers by a U.S. congressman, the foreign minister said: "It falls to the Armed Forces to clear those accusations up, but I understand that this has already been done." "These kinds of reports and accusations have emerged within a very violent political framework in the United States," the foreign minister said, referring to the play of political interests between the Congress and President Reagan, based mainly upon military aid for the contras" [quotation marks as published].

NICARAGUA

FOREIGN MINISTRY REPLIES TO CONTADORA

PA211802 Managua International Service in Spanish 1653 GMT 21 Jun 86

[Text] Through a communique signed by Foreign Minister Miguel D'Escoto Brockman, the Nicaraguan Government today issued a positive reply to the call issued by the Contadora and Support Groups. Angela Saballos, Foreign Ministry press and information director, will now read the document:

[Begin recording] We are going to read two documents. One of them is the press bulletin of this press office. The other is the letter from the Nicaraguan foreign minister to the foreign ministers of the Contadora and Support Groups. Here they are:

The Foreign Ministry Press Relations Department reports to the Nicaraguan people and the international community that the Nicaraguan foreign minister in a note addressed to the foreign ministers of the Contadora and Support Groups has given a positive reply to their call for the rapid conclusion of the negotiating process to achieve peace in Central America on the basis of the Contadora Act presented to the Central American foreign minister on 6 June.

Nicaragua, which has always been willing to sign the peace act within the spirit of the Caraballeda Message, believes that the act of 7 June 1986 [date as heard], which was formally presented to the Central American countries by the Contadora Group, constitutes the only instrument that can and should propitiate a rapid and effective conclusion of the negotiating process to achieve peace in Central America.

The Nicaraguan Government hopes that the constructive nature of its reply, which is expressed in concrete steps such as the willingness to present the inventory of the list of military matters to be negotiated and the table of factorization recommended in the Contadora Act, will encourage the other Central American countries and the U.S. Government to reflect about the need to truly commit themselves to the efforts of the Contadora Group. All of this is in favor of a negotiated political solutioln to the regional crisis which permits us to offer to the Central American peoples an alternative of peace and security in the face of the policies of force, threat, and intervention that today prevail in the area.

The Nicaraguan Government offers its firm and resolute support to the proposals of the Contadora Group and its Support Group contained in the Panama Declaration of 7 June 1986 which express the feelings for peace in Latin America. The following three commitments are especially supported in the declaration:

A. An end to the use of the territory as a base of aggression against other countries;

B. Prohibition of membership in military or political alliances that threaten peace and security in the region;

C. An end to military or logistical support to irregular forces or subversive groups by powers.

Nicaragua deeply laments the negative attitude adopted by some Central American countries and the United States with regard to the proposals of the Contadora Group and it reiterates its firm desire to continue to promote this effort for peace and understanding in Central America, which constitutes the adequate path for the solution of the conflicts. [end recording]

We will now read another communique issued today, Saturday, 21 June, by the Nicaraguan Foreign Ministry that was delivered to the members of the Contadora and Support Groups. Here is journalist Angela Saballos, from the Foreign Ministry to read this important document:

[Begin recording] I am pleased to write Your Excellencies in order to refer to the proposed Contadora Document for Peace and Cooperation in Central America that was given to the Central American foreign ministers on 7 June during the latest meeting of ministers and that was accompanied by the Panama Declaration and the note explaining the proposed document.

These three important documents constitute the stand of the Contadora and Support Groups on the Central American negotiations. Under the present circumstances, we feel it is opportune to recall that the Contadora Group delivered on 7 September 1984 to the Central American countries a revised version of the document that was the result of heavy consultations and a broad exchange of points of view among all the Central American governements. In a note dated 21 September 1984, the Nicaraguan Government reported to the Contadora countires the Nicaraguan decision to accept in full and to immediately sign, without any modifications, the document presented on 7 September.

After the Nicaraguan Government's acceptance was made public, the U.S. Government launched a strong campaign that sought to prevent the signing of the regional agreement, and thus achieve what they themselves described in a National Security Council document dated 30 October 1984 as the effective blockade of the proposed Contadora Document. This National Secuirty Council document defined the strategy of the U.S. Government to (?hinder) Contadora.

As a result of the rejection of the U.S. pressure and in spite of the fact that the Contadora Group had already officially concluded the discussions on the document, the Contadora Group decided to reopen the negotiations process which has now concluded with the new proposed document presented on 7 June 1986.

It is pointed out by the Contadora Group in its explanatory note dated 6 June that there prevails in Central America -- along with some positive signs -- situations that forecast great deterioration of the conflicts.

Far from cooperating in creating the conditions that will favor the peace efforts, the U.S. Government has intensified its military maneuvers in Honduras, along the Nicaraguan border, and continues to increase its warlike and intervention policy against our country, as is evident in its continuous threats of invasion and its determination to increase the financial and military assistance for the mercenary forces at its service, thus violating international law and the resolution dated 10 May 1984 of the International Court of Justice, as it tries to commit the U.S. Congress in this action that violates the law. All of this shows that the behavior of the U.S. Government has not changed in the sense of having its terrorist policy prevail, in spite of the renewed efforts of the Contadora Group. [end recording]

Dear listeners, you have heard journalist Angela Saballos, official spokesperson for the Nicaraguan Foreign Ministry, announcing today, Saturday, 21 June, an important document sent by the Nicaraguan Government to the members of the Contadora and Support Groups.

DEFENSE MINISTRY REPORTS CAPTURE OF U.S. CITIZEN

PA211227 Managua Domestic Service in Spanish 1207 GMT 21 Jun 86

[Communique No 59 issued by the Defense Ministry's Public and Foreign Relations Directorate in Managua on 20 June]

[Text] The Defense Ministry informs that:

1. On 16 June we captured unharmed a foreign mercenary in a clash on Arranca Cabajo hill, 27 km southwest of Nueva Guinea, Zelaya Department. This mercenary said he left the United States for Costa Rica on 14 February 1985, sent by his top command in that country through LACSA, the Costa Rican airline. In San Jose, he was greeted by a former colonel of the Costa Rican Civil Guard and he identified himself to this former colonel as Lalio Wagner of U.S. citizenship.

2. In due time we will expand on this information on the case of this mercenary who is being investigated by our country's military and security officials.

[Signed] Public and Foreign Relations Directorate of the Defense Ministry
Issued in Managua on 20 June 1986
Twenty Five Years Later, All Weapons Against Aggression!

IRNA REPORTAGE ON IRANIAN DELEGATION'S VISIT

Delegation Arrives

LD200855 Tehran IRNA in English 0839 GMT 20 Jun 86

[Text] Tehran, June 20 IRNA -- Foreign Affairs Minister 'Ali Akbar Velayati arrived in Managua Thursday [19 June] at the head of a high ranking political delegation. Nicaraguan acting foreign minister, vice-president of the National Assembly as well as officials from Iran's Embassy in Managua welcomed Velayati at the airport. During his visit Velayati will hand deliver a message from President 'Ali Khamene'i to his Nicaraguan counterpart Daniel Ortega. International issues particularly forthcoming non-aligned summit in Harare and mutual relations will be discussed between Irano-Nicaraguan officials.

Foreign Minister Meets Tinoco

LD210933 Tehran IRNA in English 0858 GMT 21 Jun 86

[Text] Managua, June 21, IRNA -- The Iranian foreign minister, 'Ali Akbar Velayati, currently here on an official visit, held first round talks with Nicaraguan officials, Friday [20 June]. Velayati, heading a delegation, in his talks with the Nicaraguan acting foreign minister, Victor Tinoco, discussed U.S. plots against Iran and Nicaragua, the forthcoming non-aligned summit and also issued related to Latin American countries. During the meeting it was decided to set up joint commissions to coordinate stances of the two countries in political, economic and international fields.

Meanwhile Velayati who is here at the first leg of his three-nation tour, met and talked with the Nicaraguan minister of culture, Ernesto Cardenal Martinez, Friday and discussed expansion of bilateral cultural relations. Martinez who has travelled twice to Iran in post-revolutionary period and has met Imam Khomeyni, referred to the role of religion in the revolutions of both countries.

Revolutions in Iran and Nicaragua, he told Velayati, showed that divine religions have a revolutionary message and at present people of the world are becoming more aware of the determing role of religion. He added that the trip of the Iran delegation was a proof of the growing relations between the two countries and added that Nicaragua too was engaged in a war imposed by U.S. imperialism. Velayati also referred to the role of religion in revolutions of Iran and Nicaragua and said that if potentials of divine religions are utilized, they would play a major role in liberating people of the world. He further added that both the countries faced similar plots by U.S. imperialism including its support for counterrevolutionaries, imposing economic sanction and war. The foreign minister and his accompanying delegation Fridday laid a wreath of flowers on the tomb of the founder of the Nicaraguan revolution, Carlos Fonseca.

Meeting With Nunez

LD211645 Tehran IRNA in English 1554 GMT 21 Jun 86

[Text] Tehran, June 21, IRNA -- President of Nicaragua's Council of State (legislature) Carlos Nunez Tellez met with visiting Iranian Foreign Minister 'Ali Akbar Velayati in Managua Saturday where he told him 'Iran has been a victim of a war of aggression launched by the Iraqi regime.' Tellez also said that Iran like Nicaragua has been subjected to politico-economic pressures by foreign powers, a reference to the common enemies of the two countries.

In response, Velayati extended an invitation to Telelz to pay a visit to Iran and said that the mutual enemies of the two countries have greatly contributed to the consolidation of relations between Iranian and Nicaragua revolutions. Foreign Minister Velayti also told Mr Tellez that Iran's Majlis (Islamic consultative assembly) as well as Nicaragua's parliament both have valuable experience. He furthermore said Islamic Iran welcomed the exchange of parliamentary delegations between the two countries.

The Nicaraguan official expressed his willingness to pay a visit to Tehran and said exchange of Iran-Nicaragua parliamentary delegations would further strengthen relations between the Islamic revolution and Nicaragua. In another meeting, Velayati met and conferred with Nicaraguan Minister of Foreign Cooperation Henry Ruiz on issues of mutual interest Saturday.

Meeting With Ortega

LD211451 Tehran IRNA in English 1304 GMT 21 Jun 86

[Text] Managua, June 21, IRNA -- The visiting Iranian foreign minister 'Ali Akbar Velayati met Nicaragua's President Daniel Ortega here Saturday and delivered a message from President Ali Khamene'i of Iran. Stressing the need for the exchange of visits between officials of the two countries to expand bilateral ties, Ortega expressed his interest to pay a visit to the Islamic Republic of Iran.

During the meeting the Nicaraguan president outlined the stance of his country vis-a-vis Latin American countries and U.S. imperialist policy in this region. He reiterated that Nicaragua will continue its fight against the U.S. since the U.S. Administration is continuing its support of the Nicaraguan counterrevolutionaries. As for the Iraqi-imposed war on Iran, Ortega said that Iran had not started the war, adding that his country condemned deployment of chemical weapons.

Meanwhile, Velayati elaborated on Iran's stance towards the forthcoming Harare summit meeting of the non-aligned movement and the movement's further activities. The Iranian foreign minister and his accompanying delegation attended a reception Friday night in which a number of high-ranking Nicaraguan officials were also present. Addressing the guests, the acting foreign miniter of Nicaragua said that the Iranian delegation was visiting his country at a time when the U.S. was exerting utmost efforts to suppress the Nicaraguan revolution. He said the Islamic Republic of Iran was also involved in a war imposed on it, stressing that final victory will be achieved by Iran. The Iranian foreign minister reiterated Iran's full support for the Nicaraguan people and government and added that the people and Government of Iran will always be on the side of the Nicaraguan people.

Foreign Minister Meets Press

LD221131 Tehran IRNA in English 1046 GMT 22 Jun 86

[Text] Managua, June 22, IRNA -- Iranian Foreign Minister 'Ali Akbar Velayati currently heading a delegation here, held the second round of talks with the Nicaraguan acting foreign minister, Victor Tinoco, Sunday morning [22 June]. During the meeting the two sides reviewed topics discussed in joint economic and international committees as well as a draft of the joint communique.

Meanwhile Velayati attended a press conference Sunday in which he described his talks with Nicaraguan officials as "positive and constructive". He said that the objective of his visit is to hand over a message from President 'Ali Khamene'i to President Ortega and also to exchange views with Nicaraguan officials on ways to confront U.S. plots.

As for the topics of his talks in Managua, Velayati said that expansion of political and economic ties as well as cooperation and coordination of activities at international organizations, especially in the non-aligned movement, were main issues discussed with Nicaragua authorities. He said that exchange of visits between officials of the two countries, signing of trade agreements, export of oil to Nicaragua and import of Nicaraguan goods were ways to further strengthen solidarity between the two nations. He told reporters that the Islamic Republic of Iran can provide inustrial and technical know-how and its experience in the field of commerce at the disposal of Nicaragua.

Asked to comment on Contadora Group, Velayati said that if the group aimed at establishing peace and putting an end to foreign interference in the region, no one should oppose them.

Joint Communique

LD222024 Tehran IRNA in English 1920 GMT 22 Jun 86

[Text] Tehran, June 22, IRNA -- Iran and Nicaragua releast a joint communique Sunday at the conclusion of two-days of talks between Iranian Foreign Ministry delegation led by Dr 'Ali Akbar Velayati with Nicaraguan officials. The communique was issued simultaneously in Tehran and Managua and deal with the two countries' united stand on the Iraqi imposed war, the Palestinian issue as well as international and Central America topics.

Both sides condemned U.S. imperialist intervention against the Islamic revolution of Iran and the people's revolution of Nicaragua and reaffirmed the inalterable determination of the two peoples of Iran and Nicaragua to counter and defeat any foreign aggression.

Both sides condemned the U.S. military presence and its maneuvers in the Persian Gulf and Central American regions and deemed them as a direct threat to the security of the two countries' as well as to world peace and security.

On the Iraqi imposed war on Iran, both parties underlined the need to fully uphold international law and eliminate the cause of tension from the Persian Gulf in order to establish total peace, security and stability in the region.

Both sides categorically condemned the use of chemical weapons by Iraq against the Iranians as documented in the reports of the secretary-general of the United Nations and the statements of the Security Council of 25 April 1985 and 21 March 1986.

Both sides condemned imperialist policy which finances, directs and organises mercenary forces against the people and Government of Nicaragua as well as resorts to coercive economic measures against that country.

Both sides condemned the aggressive policies of U.S. Government including its resort to state-led terrorism against peoples and sovereign states. In this regard, they vehemently condemned the U.S. attack on Libya and threats against the Islamic Republic of Iran and Syria.

Both sides while condemning occupation by the Zionist regime of the Arab lands including Palestine, reiterated the necessity of the establishment of sovereignty of the Palestinian people over all their lands.

Both sides expressed total condemnation of the apartheid policy of the South African racist regime and the recent acts of aggression against the Frontline States. They furthermore called for the adoption of full sanctions against the South African regime on the part of states to mobilize their efforts in order to secure the full independence for Namibia and the end of all aggressive acts against the Frontline States.

The two sides considered non-alignment as the guiding peinciple of their foreign policy and as members of Non Aligned Movement stressed the necessity to propagate the genuine essense of non-alignment among all members.

At the conclusion of his visit, Dr Velayati, minister of foreign affairs of the Islamic Republic of Iran sincerely thanked the government and people of Nicaragua for their cordial and warm hospitality accorded to him and his delegation.

During the Iranian delegation's visit high-level talks were held with Nicaragua's president, Mr Daniel Ortega Saavedra, Mr Carlos Nunez Tellez, and Mr Henry Ruiz, member of the National Directorate of the Sandinist Liberation Front. The Iranian delegation alos met and conferred with Mr Ernesto Cardenal, minister of culture and Nicaragua's acting foreign minister Mr Victo Hugo Tinoco.

In these discussions, both sides underlined the many common points shared by both countries, and enumerated the potential areas of cooperation. They called for the consolidation of the existing amity and enhancement of the two countries' political, economic and cultural cooperation. They also underlined the importance of enhancement of joint struggles against imperialism and helping the tyrannized and deprived peoples to achieve their rights to self-determination free from all forms of foreign intervention.

NEW SOVIET AMBASSADOR VYALYAS RECEIVED

PA220001 Managua Domestic Service in Spanish 1200 GMT 21 Jun 86

[Text] Vayno Iosifovich Vyalyas, new Soviet ambassador to Nicaragua, yesterday presented his credentials to Daniel Ortega, Nicaraguan president and commander of the revolution. Vylyas, who said he is very happy to be in this country, also noted that he hopes to contribute towards better relations between the Soviet Union and Nicaragua. The Soviet diplomat repaces German Yavlampyevich Shlyapnikov, who recently left Nicaragua after serving here for a considerable length of time, strengthening relations between the Soviet Union and Nicaragua.

GRANMA VIEWS REAGAN 'MESSAGES' TO CUBAN PEOPLE

PA202052 Havana International Service in Spanish 0000 GMT 20 Jun 86

[From the "Cuban Press Review"]

[Text] Since the victory of the Cuban revolution, each U.S. president has sent little messages to the Cuban people inciting them to an alleged return to democracy and promising a supposed end to communism in the immediate future. Ronald Reagan's turn has arrived, and, just as his predecessors, he has also spouted his hogwash to the Cubans. This is stated by the Cuban newspaper GRANMA in a commentary signed by Gustavo Robreno.

Such little messages, the writer adds, form part of the propaganda structure of imperialism even though everyone knows that they seek only to conceal with cheap words the constant policy of aggression and barbarism that imperialism has unleashed against Cuba for more than 2 decades.

GRANMA states that, fortunately, times change in favor of the peoples, and despite the millions of dollars spent to spread lies, the work of the revolution sweeps away all the smoke screens and barriers that seek to conceal it. Gustavo Robreno adds that not only is Cuba the Latin American nation that aspires to build a more just society, it is a country that has impressive development statistics in health, agriculture, industrialization, education, social security, science, and culture, just to cite a few examples.

The achievements of the revolution, the commentary emphasizes, are an example for other nations, and Fidel Castro is viewed by the masses of the Third World as the leader who embodies and expresses their feelings and needs. Therefore, Reagan's little message is shameless, cynical, and ridiculous, because it comes from someone who is trying to create obstacles to the normal political evolution of the Caribbean region. It could only stem from the mind of a forgetful old man who at this stage is trying to assume the role of Yankee proconsul. They are pretensions which, according to GRANMA, without disregarding their serious nature, just deserve a big national laugh.

SOVIET ATTACHES COMMENT ON U.S. SOVIET TALKS

FL201156 Havana Radio Progreso Network in Spanish 1100 GMT 20 Jun 86

[Text] Talks between the Soviet Union and the United States need to be preceded by conditions that lay the groundwork for concrete agreements. This has been said by Colonel Valeriy Romankov, deputy attache of the Soviet Embassy in Cuba. Romankov and (Anatoliy Shershenkov), military attache, granted a press conference on the occasion of the 45th anniversary of the beginning of the Great Patriotic War. They pointed out Western ideologists' attempts to distort the truth of that great struggle.

COOPERATION AGREEMENT WITH AFGHANISTAN EXTENDED

FL202122 Havana Radio Reloj Network in Spanish 2052 GMT 20 Jun 86

[Text] The protocol extending the cooperation plan at the ministerial level between Cuba and the Democratic Republic of Afghanistan was signed today at Foreign Ministry headquarters in Havana. Giraldo Mazola and Sarwar Yuneis, Cuban and Afghan foreign vice ministers, respectively, signed the document for their countries.

MALMIERCA SPEAKS ON SOUTH AFRICAN SANCTIONS

FL211150 Havana Radio Progreso Network in Spanish 1100 GMT 21 Jun 86

[Text] Foreign Minister Isidoro Malmierca has said the Latin American people now feel more committed to the struggle of the South African liberation movements. The minister spoke on behalf of the Latin American group at the closing session of the world conference on sanctions against the South African racist regime which has just concluded in Paris, France.

CAMBODIA'S HENG SAMRIN RECEIVES MILITARY DELEGATION

FL202354 Havana Radio Rebelde Network in Spanish 2300 GMT 20 Jun 86

[Text] The chairman of the Kampuchean People's Revolutionary Council, Heng Samrin, today received in Phnom Penh the Cuban military delegation headed by Vice Admiral Aldo Santamaria, which is participating in the celebration of the 35th anniversary of the founding of the Kampuchean Army.

The high Cuban official transmitted to the top Cambodian leader a congratulatory message from the second secretary of the Central Committee of the Communist Party of Cuba and Minister of the FAR, Army General Raul Castro, stressing the success of the revolution in Cambodia. During the meeting, diverse aspects of bilateral relations were discussed, together with other matters of common interest.

CONGOLESE ATTACHE PRAISES BILATERAL RELATIONS

FL211554 Havana Radio Reloj Network in Spanish 1410 GMT 21 Jun 86

[Text] Upon speaking at the FAR ceremony celebrating the 20th anniversary of the Congolese Peoples' Army, Commander (Bernard Oyeva), naval and air force attache from the Congolese Embassy, said, we will celebrate another 20 years strengthened and united with the Cuban FAR because of their constant fraternal ties.

During the ceremony, held at the Isle of Youth, (Oyeva) underscored the solidarity and assistance received from the Cuban party and its highest leader Fidel Castro, who, with his own personal efforts and those of the FAR, have always contributed to the success of the Congolese.

'OUR AMERICA' ON HONDURAN REJECTION OF CONTADORA

PA191715 Havana International Service in Spanish 2300 GMT 18 Jun 86

["Our America" commentary]

[Text] On Monday Honduras announced its rejection of the peace act presented by the Contadora Group because, according to Honduras, the document does not establish reasonable and sufficient obligations to guarantee its security. With this attitude, the Honduran Government contributes to delaying and hindering the efforts being undertaken to achieve the longed-for peace in the Central American region.

It would be well to ask what guarantees of security are being sought by Honduras, the territory of which, in addition to being a huge military base at the service of the United States, is the main theater of operations of the Nicaraguan counterrevolution. With its alignment with Washington's reactionary and agressive policy, heedless of the history of U.S. involvement in this region, the Jose Azcona government makes common cause with the government of Jose Napoleon Duarte and, in an evident maneuver of interference, it states that it will seek other efforts to achieve the internal pacification and national reconciliation of some states.

As has been repeatedly stated, the Contadora Group is the only alternative for peace in Central America, and any other negotiation outside the group only contributes to prolonging the prevailing state of tension in the region. Moreover, with its attitude, the Honduran Government seems to be wanting to win time to favor its main ally, the United States, which is carrying out every effort to obtain congressional approval to increase aid to the Somozist bands.

In this regard and as a means to exert pressure, several Nicaraguan counterrevolutionary leaders said in Washington that if they do not obtain more U.S. aid, their plans to overthrow the Managua government will fail. The statement cannot show more explicitly the lack of morals and scruples of these groups which, in addition to receiving more than $130 million from the United States, only accumulate defeats and flee after each battle to take refuge in some neighboring country.

Honduras is one of those countries, and its support of the Somozist bands is of such a scope that according to recent charges, those bands control 1,400 square km of Honduran territory on the border with Nicaragua. While the former Somozist guardsmen freely move about in that strip of land, hindering the work of the Honduran coffee producers, the government of President Jose Azcona states that the Contadora peace act does not offer guarantees of security. It is not sufficiently clear to what security the Honduran Government is referring, nor the reference to other efforts for internal pacification of some states.

The truth is that Honduras' internal peace, its economic development, and even the population's health are affected by the permanent presence of the U.S. troops, to which must be added the counterrevolutionary bands that attack Nicaragua and that endanger the security of the neighboring country. Even though Nicaragua is the main country under attack, Nicaragua has stressed that it is willing to sign the draft presented by the Contadora Group. In this regard, it formulated flexible proposals on the main points that must still be analyzed by the negotiating group.

The current Honduran rejection is nothing but a reaffirmation of the policy of the government of that Central American nation, which is helping the warmongering interests of the U.S. administration.

CATHOLIC REPRESENTATIVES PRESENT LETTER TO POPE

FL201826 Havana Radio Rebelde Network in Spanish 1700 GMT 20 Jun 86

[Text] The final document of the Cuban national ecclesiastical meeting held last February and presented to Pope John Paul II on 11 June states that after a long process of reflection, the Cuban Catholics have decided as Christians to participate completely in the construction of a better world in this country.

The text of the document, presented to Pope John Paul II by Aldofo Rodriguez, president of the Episcopal Confernece, and Pedro Meurices Estiu, archibishop of Santiago de Cuba, acknowledges that current Cuban society has made serious efforts to promote the essential right of life, food, medical assistance, education, and appropriately remunerated work.

We consider, states the final document of the Cuban national ecclesiastical meeting, that the above is a priority, and we know that complete achievement of this constitutes, not only the condition for authentic liberty, but a notable method for being free.

The document adds that in Cuba, Catholics' participation in an building of a civilizaton of love that is something more than a mere beautiful expression should effectively include the framework and dynamics of the socialist project.

The cuban church considers that is can support a socialist society, an always perfect ideal for man, a deep feeling for human life, and its contribution to the observance of a healthy morale which ranges from personal aspects to the social commitment for the collective well-being, among many other characteristics.

For its part, the socialist society has helped Christians to value man more highly, appreciate work more, understand the need for structural changes for better distribution of goods and services, benefit more personally, and express solidarity by assisting others.

The Cuban Catholic Church's document presented to Pope John Paul II says that the socialist society has shown us to justly give what was once given out of charity.

12 REPORTED KILLED IN HELICOPTER COLLISION

PA210232 Havana International Service in Spanish 2300 GMT 20 Jun 86

[Text] Twelve combatants of the Cuban Revolutionary Armed Forces [FAR] died Thursday in a collision between two helicopters taking part in a highly complex exercise in eastern Havana.

An official communique issued by the Cuban FAR Ministry indicates that the exercise simulates air strikes in accord with the aggressive practices of the U.S Armed Forces and forms part of the "150th Anniversary of the Birth of Generalissimo Maximo Gomez Maneuver."

The document adds that in view of the sorrow caused by such a regrettable accident, the Cuban people renew their unflinching determination to continue perfecting their preparedness and combat readiness to wage, if necessary, an all-out war by the people in defense of the homeland's sovereignty and the revolution's achievements.

The 12 combatants killed in the aerial accident will be buried with military honors. The Cuban State Council posthumously awarded the Calixto Garcia Medal of Valor to the fallen.

ARUBA

COLLAPSE OF COALITION GOVERNMENT ANTICIPATED

FL211452 Bonaire Trans World Radio in English 1330 GMT 21 Jun 86

[Text] In Aruba, a situation in which a government minister is accused of demanding bribe money from an American casino operator is leading to speculation about the collapse of the present coalition government. Leaders of the four ruling parties in the Caribbean island will meet this weekend to discuss the situation. There is increased talk of new elections on Aruba and of a new coalition government between the biggest of the ruling parties, the AVP [Aruban People's Party] and the opposition NVP [National United People's Party].

DOMINICA

CAMPAIGN TO REMOVE DOUGLAS FROM DLP CONTINUES

FL211428 Bridgetown CANA in English 1220 GMT 21 Jun 86

[By Lennox Linton]

[Text] Roseau, Dominica, June 21, CANA -- With groundswells of dissent against his leadership rising in at least two branches of the opposition Dominica Labour Party's islandwide support network, party chief Michael Douglas is on the campaign trail to purge the party of pimps and political prostitutes.

The anti-Douglas campaign picked up momentum this week with the resignation from the DLP of shadow Community Development Minister Eden Durand, who cited among his reasons dissatisfaction with the party's leadership and its near one-year-old parliamentary boycott to protest the government-inspired curtailment of live radio broadcasts of House of Assembly debates.

Durand's resignation chopped from five to four the DLP's tally of the 21 elected members of parliament and followed closely on the heels of a reaffirmed pledge from Rosie Mills, the unsuccessful DLP candidate in a recent by-election that he will shoot his best shots at ensuring Douglas is booted out of the leadership chair.

Mills, who lost his bid to hold on to the parliamentary seat formerly held by jailed ex-DLP leader and former Prime Minister Patrick John has been blaming Douglas, who boycotted the campaign, for the partys defeat. Douglas, on the other hand, complained that Mills was a bad candidate who disunited the party machine and hailed the defeat as a blessing in disguise.

The interim result of all this is that both Douglas and Mills are urging the party to get rid of each other. Mills has opted to work through the constituency branch in St Joseph where he contested the recent by-election and the origin of the first official request from within the party that Douglas should be dismissed as leader. The other has come from the party's constituency branch in the Castle Bruce area where Eden Durand is parliamentary representative.

In the main, the Douglas critics charge that his leadership is doing the party no good. They cite as examples a string of failures over which the outspoken leader has presided since he captured the party's top slot during a merger of two previously feuding labour factions in the build-up to general elections last July.

These failures include the general election itself, the boycott of Parliament in general and a related lack-arm band demonstration during the queen's visit last October which was boycotted by all party representatives with the exception of Douglas himself. The party's defeat in the May 5 by-election also features on the list of failures.

Analysts here see Durands resignation as a major set back for the Douglas campaign to consolidate his somewhat shaky position. He has already blamed Durand's decision to become an independent member of Parliament on the ruling Dominica Freedom Party (DFP) charging that the defection came as the result of a buy out. Douglas said he had been crooked by Durand but felt there was enough time for the party to recover from its setbacks.

Right now we are four years before an election (due by 1990), and I don't see those things as a problem. These things are set-backs. They are disappointments. I cannot pretend that I am happy about it because I am not. But at the same time it is better those things happen now.

In recent weeks, Douglas claims he has been on a silent swing through the 21 constituencies on the island selling his side of the shilling which carries fierce criticisms of Mills and others on the other side. He claims, too, that the exercise has been going well, to the extent that the party's rank and file will soon see that Mike is right.

He concedes though, that readying himself for the party's national convention slated for August 30 will be a tough job. For one thing, Douglas remains concerned about what he terms the biggest irritant to his leadership -- the fact that a portion of the party's executive still takes its cues from the (island's) prison, from where ex-party leader John seems to be exercising a measure of control.

Douglas makes no serious pretenses that he is on the good books of John, whose wife lamented in a recent letter that contrary promises made in the build-up to last year's general election, the party in fact abandoned her to secure legal counsel for her husband's trial on subversion charges.

It is common talk that Douglas has never really forgiven John for relieving him of his ministerial duties in 1977, after which the rejected minister opened up a war of words against the then prime minister accusing him of a plethora of corruption charges. The most well known of those which made the rounds at the time was that John plundered state finances to wine and dine his friends on frequent trips to Brussels and elsewhere. Relations between the two have been stormy ever since, and party insiders say it was the sorry state of John's own finances and his dire need for funds to secure legal representation in his then pending trial that forced him to endorse Douglas as party leader, allegedly on a promise from the Douglas brothers that they would look about the money for the case.

John is apparently quite bitter about the turn of events and is said to be a key figure behind the moves to have Douglas unseated as leader. Most analysts agree that John's key representative on the party's executive is Roosey Mills, who secured the nod to contest the seat to replace John even though Douglas did not support his candidacy.

But no one claims to be absolutely sure whether John has any close colleagues in the party's team of elected representatives which is now down from six to four with the loss of last months by-election and this week's departure of Durand.

Along with Rosie Douglas and Pierre Charles, Durand completed the party's ideological left in Parliament.

Analysts have previously argued this equation meant that Michael Douglas held a minority position among the elected representatives which made him vulnerable to alleged leadership designs by his brother Rosie.

But though Rosie did not share his brother's views on his boycott of last month's by-election, and in fact led the campaign on behalf of Mills, he has been very quiet on the issue in recent times.

For his part, Michael Douglas insists that the internal problems which threaten the party with another major split is only part of a painful purge the party must endure if it intends to present a serious alternative to the ruling DFP at the start of the next decade.

And though Douglas is confident he can pull it off, many of the old wounds of disunity that have plagued the party's growth for the better part of the last 15 years have rawed open again and the die is cast for a difficult season of repair.

HAITI

STUDENTS DEMONSTRATE FOR 3D CONSECUTIVE DAY

PA211332 Madrid EFE in Spanish 1306 GMT 21 Jun 86

[Text] Port-au-Prince, 20 Jun (EFE) -- For a 3d consecutive day, students have protested against the Haitian and U.S. Governments, while the government of General Henri Namphy reported that the international community has granted $20 million in emergency aid.

Returning from their visit to Washington, three ministers said today they were pleased with the result of their visit, as they obtained the $20 million in emergency aid in addition to the $50 million that have already been granted for this fiscal year.

Today the students shouted slogans against the Agency for International Development of the United States and demanded the resignations of one of the three members of the National Government Council, Colonel Williams Regala; of Finance Minister Leslie Delatour; and of Information Minister Herard Abraham.

Hundreds of students have charged that the U.S. Consulate in Port-au-Prince is denying tourist visas as a reprisal for the protests that began on 5 June.

FBIS

DAILY REPORT

CONTENTS

Latin America

Vol VI No 121 24 June 1986

INTER-AMERICAN AFFAIRS

OAS, OECS Sign Memorandum of Understanding [CANA] A 1

Nations Support Mexican Anti-Apartheid Stand [NOTIMEX] A 1

ARGENTINA

Army Unrest Over Human Rights Ruling Denied B 1

5 Airline Employee Unions End Conflict B 1

BOLIVIA

Letter of Intent With IMF, Economic Plan Approved C 1

Commercial Cooperation Accord Signed With PRC C 1

Banzer Expresses Concern on Wage Policy C 2

COB's Lechin Oquendo Says Tin Era Not Over C 2

BRAZIL

Agreement With Soviets To Install Manganese Plant [O GLOBO 21 Jun] D 1

ECUADOR

Teran on President's Call for Political Detente G 1

Government To Support OPEC Meeting Decisions G 1

Police Vehicle Destroyed During Demonstrations G 1

Briefs: $10-Million Loan Approved G 2

PARAGUAY

Representative Opposes Cuban ALADI Participation [EL DIARIO 23 Jun] H 1

Minister Says Laino Not Allowed To Enter Country H 1

- Foreign Minister on Laino [HOY 20 Jun] H 2

PERU

Socialist International Congress Opens in Lima J 1

- Garcia Speech J 1
- Bombing Attempted J 8
- Bombings, Fire Surround Opening J 8
- Concern Over Prison Riots J 8
- Further Concern Expressed J 9
- Foreign Debt Proposal J 11
- Brandt Reelected President J 12
- Venezuela's Perez Comments J 12
- Leaders Condemn Violence J 13

Resolution on Central America J 13
Regimes Criticized J 14
Program for World Crisis J 15
Falklands Negotiations Urged J 16
Junblatt Reelected Vice President [Voice of Mountain] J 16
Brandt Closes Congress J 16
SI Members on Contadora J 18
President Garcia: Peru Will Not Be Militarized J 19

URUGUAY

President Sanguinetti Returns From U.S. K 1
Sanguinetti's Visit Assessed K 1
PIT-CNT 17 June General Strike Evaluated K 2
Briefs: New Agriculture Under Secretary K 2

VENEZUELA

Officials Prepare for Next OPEC Meeting L 1
Brazil Begins Delivery of Tucano Military Planes [EL UNIVERSAL 13 Jun] L 1
Briefs: Ambassadors Present Credentials L 2

MEXICO

Political Parties Protest U.S. Military at Border M 1
64 Percent of Export Income Used To Pay Interest M 1
Iraqi Embassy To Close Down by 30 June M 2
PRI Supports President's Economic Policy M 2
Pemex Denies Large-Scale Layoff of Workers M 3
Briefs: Cocaine Confiscated; New Supreme Court Justice M 3

PANAMA

U.S. House Holds Hearings on Drug Traffic [LA ESTRELLA DE PANAMA 20 Jun] N 1
Delvalle Optimistic About Economic Future [LA REPUBLICA DOMINICAL 22 Jun] N 3
PRD Committee Statement on Current Situation [LA REPUBLICA 20 Jun] N 4
PRD President Scores Opposition, Defends Noriega [LA REPUBLICA 20 Jun] N 6
PRD Admitted as 'Consultative Member' in SI N 7
Former President Arias Supports 1984 Vote Recount [LA PRENSA 23 Jun] N 7
Radio Mundial Owner Announces Renewed Broadcasts [LA PRENSA 20 Jun] N 9
Radio 10 in Herrera Closed by Ministry [LA PRENSA 19 Jun] N 10

CENTRAL AMERICA

Representatives Review Contadora Document P 1

EL SALVADOR

FMLN Claims More Casualties in Garrison Attack [Venceremos] P 2

GUATEMALA

Quinonez on C.A. Contadora Meeting, Options P 2
Official Views C.A. Trade Difficulties, Debts [PRENSA LIBRE 20 Jun] P 3
Briefs: Foreign Exchange, Revenue Figures P 3

HONDURAS

Government Denies Agreement on Disputed Border P 4
Special Envoy Explains Opposition to Contadora P 4

NICARAGUA

Ortega States Position on Contadora Proposal P 5
Capture of 2d Foreign Contra Reported [ACAN] P 7
Iranian Foreign Minister Expresses Solidarity P 8
D'Escoto Views U.S. Position on South Africa P 8
Arce Leads Delegation to SI Congress in Peru [BARRICADA 19 Jun] P 8
  Meets Alan Garcia P 9
Ortega Commemorates Fonseca Anniversary [DPA] P 9
Low Participation in Constitutional Debates Noted P 10

CUBA

Nicaragua Captures Mercenary of 'Cuban Origin' Q 1
Iranian Foreign Minister Arrives on Visit Q 1
  Meets With Malmierca Q 1
  Rodriguez Also in Attendance [IRNA] Q 1
Ambassador Receives Soviet Friendship Order Q 2
  Visits Uzbekistan Q 3
  Meets With Shevardnadze Q 3
Malmierca Returns From Meeting on South Africa Q 3
Delegation Attends Yugoslav Congress Q 3
Polish Transport Minister Arrives for CEMA Meeting Q 4
FAR Delegation Concludes Visit to Kampuchea Q 4
Former President of Mexico Arrives on Visit Q 4
Jose Felipe Suarez Named Ambassador to Togo Q 4
U.S. 'Attacks', 'Pressures' on Mexico Viewed Q 4
Camaguey Uses Satellite To Access Data Base Q 5
Electric Power Distribution System Completed Q 6
Briefs: New Burmese Ambassador Q 6

CARIBBEAN

BAHAMAS

Pindling Says Elections To Be Held by August 1987 S 1

OAS, OECS SIGN MEMORANDUM OF UNDERSTANDING

FL181805 Bridgetown CANA in English 1752 GMT 18 Jun 86

[Text] Castries, St Lucia, June 18, CANA -- A memorandum of understanding has been signed here between the Organisation of American States (OAS) and the Organisation of Eastern Caribbean States (OECS). The agreement provides for a closer cooperative relationship between the two organisations which will seek to establish consultative mechanisms on matters of common interest as well as the exchange of information and documentation. The agreement also provides for cooperation in specific projects between the OECS and OAS Secretariats.

Speaking at the signing ceremony, OECS director-General Dr Vaughn Lewis said that the agreement provided a broad framework for undertaking collaboration in join activities. Cooperation between the two groupings has already led to the initiation of natural resource management project, for member states of the OECS with support coming from the government of West Germany, Lewis said.

In his remarks, Secretary General of the OAS Joao Clemente Baena Soares noted that the agreement was on between the OAS, the oldest regional organisation in the Americas and the OECS, one of the newest. He also pointed to the opportunity which the agreement provided for the coordination of efforts and better use of resources by both organisations.

All six independent states of the eight-nation OECS are members of the OAS.

NATIONS SUPPORT MEXICAN ANTI-APARTHEID STAND

FL192030 Mexico City NOTIMEX in Spanish 1915 GMT 19 Jun 86

[Text] Mexico City, 19 Jun (MOTIMEX) -- Ecuador, Argentina, and Costa Rica have expressed their support for Mexico's condemnation of the policy of apartheid and they indicated that the Mexican position is in accordance with the highest principles of humanity.

Argentine Ambassador to Mexico Facundo Suarez aid his country broke relations with South Africa a long time ago because their policy of racial segregation is against human principles and rights. He said Mexico's statement has the support of the Argentine people since it is in agreement with Argentina's international policy. Suarez said currently Mexican-Argentine relations are at their highest point, and because of this trade and contact will be expanded in the near future.

Costa Rican Ambassador to Mexico Angel Edmundo Solano Calderon stressed that Mexico's position is in agreement with his country's principles since racism is incongruous with the thinking of the inmense majority of Latin American residents.

For his part, in reference to the Mexican Foreign Secretariat's communique, Gustavo Bucheli, head of the business department of the Ecuadoran Embassy in Mexico, said the policy of aparthcid is reprehensible. He added that Ecuador has always condemned racism at all international forums and now Ecuador's position is strengthened by Mexico's statements.

ARMY UNREST OVER HUMAN RIGHTS RULING DENIED

PY231859 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2255 GMT 19 Jun 86

[Excerpts] Buenos Aires, 19 Jun (NA) -- Sources from the Defense Ministry today stated that "there is no unrest" in the Army Command as a result of the Federal Court resolution requesting that the Armed Forces Supreme Council hand over all cases of human right violations now under the jurisdiction of the I Corps. This statement was made at the conclusion of a meeting of Defense Minister Horacio Jaunarena with Army chiefs to discuss "the progress of Army reorganization" and the salary situation. In this regard the Defense Ministry sources admitted that "the issue of the 300 cases requested by the Federal Court was discussed" in addition "to other matters, but added that it was discussed only as a result of questions asked by some Army chiefs, not as a result of any unrest in the Army."

The sources also indicated that the other issues under discussion were the Armed Forces budget and salaries which are now being studied at different government levels, especially in the Finance Ministry. "No decision has been made on the salary issue" said the sources. Regarding the budget, the sources indicated that "the idea to keep the budget within 2 percent of the GDP prevailed, in accordance with the guidelines submitted to the National Congress."

Regarding reports of an obvious unrest in the Army over the Federal Court's decision, the sources indicated that "there is no unrest among the Army chiefs or Army chief of staff," General Hector Rios Erenu, who headed the meeting. The meeting held today by Jaunarena with the Army leadership is the first since he became defense minister after German Lopez' resignation.

5 AIRLINE EMPLOYEE UNIONS END CONFLICT

PY231939 Buenos Aires TELAM in Spanish 1704 GMT 20 Jun 86

[Text] Buenos Aires, 20 Jun (TELAM) -- Five of the six airline employee unions today decided to lift all coercive measures for at least 90 days. During this time both the unions and the Aerolineas Argentinas managment will not do anything that could affect social peace and the normal operations of the company. For its part, the company has agreed to reinstate all the employees who were dismissed during the conflict, and to analyze proposals for improving performance and the quality of the services.

In a nine-point document, the parties agreed that the salary readjustments enforced while the advisory council is active will be the same for all the unions that signed the document, and will not be discounted from any salary hike that the executive branch might decree. The advisory council, made up of managment and union representatives, will analyze the innovations that the parties will propose in connection with salaries and working conditions.

The document was signed by Aerolineas Argentinas President Horacio Domingorena and by representatives of the Argentine Association of Airplane Navigators (AAA), the Aeronautic Personnel Association (APA), the Aeronautic Technical Personnel Association (APTA), the Association of Airline Technicians (ATLA), and the high-level Aeronautic Personnel Association (UPSA). The demands posed by the Association of Airline Pilots, which has announced an indefinite strike for 1 July, still remain.

LETTER OF INTENT WITH IMF, ECONOMIC PLAN APPROVED

PY211302 La Paz La Red Panamericana in Spanish 1130 GMT 20 Jun 86

[Text] Bolivia has signed a letter of intent to implement a 12-month economic adjustment program with the IMF. The letter of intent, through which Bolivia commits itselfs to implement this economic program, notes that this economic program presupposes the granting of a $50-million loan in Special Drawing Rights [SDR], which represents approximately $58 million. The IMF has reported that the agreement was signed to support the economic and financial program that the Paz Estenssoro government implemented in August 1985.

The economic adjustment program is aimed at drastically reducing inflation and the public deficit and balancing of economic decline of the past 5 years. The credit agreement reached with the IMF is equivalent to 55.1 percent of Bolivia's IMF quota, while the financial obligations that Bolivia has pending with the IMF total $44.5 million. The agreement with the IMF will allow Bolivia to resume its talk with the creditor countries of the so-called Paris Club as well as with commercial banks. The government plans to start talks with these groups to achieve a renegotiation of its foreign debt before the end of the month. Moreover, it hopes that it will be able to reach another commitment with the international banking sector.

COMMERCIAL COOPERATION ACCORD SIGNED WITH PRC

PY211749 La Paz La Red Panamericana in Spanish 1130 GMT 21 Jun 86

[Text] The PRC delegation ended its visit to Bolivia yesterday. During a special ceremony, the PRC delegation and the Bolivian Confederation of Private Businessmen [CFEP] signed an agreement, which reads as follows:

With the objective of developing ties of cooperation between the CFEP and the China Council for the Promotion of International Trade and of increasing commercial and economic relations between Bolivian and PRC companies and institutions, the CFEP and the PRC Council, which from now on shall be referred to as the parties, have agreed to the following within the framework of mutual benefits and on the basis of equal terms.

The two parties will maintain sustained communications and will make efforts so that within the framework of their respective fields of activity they will promote the development of commercial, economic, and technical cooperation between th PRC and Bolivia. The two parties will regularly exchange informative publications and materials concerning their respective trade and policies and the development of the pertinent organizations in their respective countries.

Both parties will help their business and economic organizations to establish mutual relations. They will promote and assist exchange visits by economic, commercial, and technical delegations. The two parties will exchange information on international fairs, exhibitions, and other promotional commercial activities to be held in their respective countries.

The two parties will make efforts to exchange information and material regarding the development of new products, technological innovations, and production processes in their respective countries by informing the companies and respective organizations at the proper time. The two parties will promote the exchange of technical and commercial information between their respective companies in the rural, mining, and metallurgical sectors.

Through their proper national organizations, both parties will promote efforts aimed at defending the prices of those resources produced by each country. Both parties will exchange consulting services and will promote the development of joint ventures [preceding two words in English] and of other economic and technological cooperation programs between companies in their respective countries.

If necessary, both parties will call meetings to evaluate the fulfillment, expansion, or amendment of this agreement. This agrement will be in force from the date it is signed and it will be valid for a 3-year period. It can be extended automatically for successive 3-year periods unless one of the parties terminates this agreement through a written notification 6 months in advance of the date in which each period expires.

BANZER EXPRESSES CONCERN ON WAGE POLICY

PY211908 La Paz La Red Panamericana in Spanish 1700 GMT 21 Jun 86

[Text] One of the most important events of this past week was the new meeting held between the two national majority leaders. President Victor Paz Estenssoro and [Nationalist Democratic Action, ADN, leader] Hugo Banzer Suarez held a meeting at the San Jorge presidential residence. After the meeting, ADN leader Hugo Banzer said that Bolivia has a good and positive image abroad as a result of the measures that the government has adopted.

In his capacity as ADN leader, Banzer expressed his concern over what may happen at the domestic level, because the government has yet to make specific decisions regarding certain social problems that may deteriorate if the government does not grant the salary increase that has been promised. Former President Hugo Banzer said he favors granting salary increases to the Bolvian workers, who have supported the government's economic program by patiently waiting for the month of June before proposing new salary increases.

COB'S LECHIN OQUENDO SAYS TIN ERA NOT OVER

PY201703 La Paz La Red Panamericana in Spanish 1700 GMT 19 Jun 86

[Excerpts] It is not true that the tin era is over. This was said by Juan Lechin Oquendo, a leader of the Bolivian Labor Confederation, in answer to statements that were made by the president when he said farewell to a group of campesinos and miners who were leaving for the country's eastern region. Lechin also said that tin prices will recover their traditional international level by 1987.

[Begin Lechin recording] The president maintains that the tin era is over. But, this is not true. Notwithstanding the fact that the president is a learned person, I believe that due to his many duties he is not concerning himself with the problem of the tine industry. Experts in the tin sector hav stated that tin prices will experience a slight increase by the end of this year and they are predicting that the price of tin will reach $3.50 during 1987. They of course think that it will take some years before tin prices reach $5 or $8. [end recording]

AGREEMENT WITH SOVIETS TO INSTALL MANGANESE PLANT

PY231935 Rio de Janerio O GLOBO in Portuguese 21 Jun 86 p 20

[Text] Vale do Rio Doce State Company has signed two agreements with the Soviet Government, one on technological cooperation and the other for the installation of manganese processing plant in the State of Maranhao or Para. These are the first agreements signed between the Vale do Rio Doce and the Soviet Union, which, according to this company's president, Raymundo Mascarenhas, represent the opening of the East European market for Brazil.

Mascarenhas explained that the Soviet Government will finance 50 percent of the investment of the installation of an iron-manganese plant, which will require an investment of $100 million (1.38 billion cruzados) until 1989. This plant will have an annual production of 150,000 tons of iron-manganese, beginning in 1990. Under the agreement, the Soviets are committed to purchase at least half of that production for 12 years, which, at today's prices, will amount to $25 million (3.46, million cruzados) per year.

The Soviets will finance the purchase of equipment and the payment of services. Brazil will pay its $50 million share of the investment (692 million cruzados) in 10 years, after a 3-year grace period at an interest rate of 6.5 percent per year. Mascarenhas said that the Vale do Rio Doce is negotiating a reduction of the interest rate.

The president of the Vale do Rio Doce also reported the signing of a technical cooperation agreement with Tsvetmetpromexport, the Soviet enterprise that coordinates the institutes of technological research for nonferrous metals. He explained that samples of gold, molybdemum, titanium, and peat moss for agricultural uses will be initially sent to the Soviet Union.

Mascarenhas revealed that the negotiations lasted a week and were made under provisions of the technical and commercial cooperation agreement signed between the Brazilian and the Soviet Government in December 1985. In addition to Mascarenhas, the other participants in the negotiations with the Soviets were Eliezer Batista, chairman of the Rio Doce International; Deoclecio Rodrigues, Director of the Development Area; Ulisses de Freitas, New Products Superintendent; and Joaquim Manger, Commercial Area Coordinator for East Europe.

TERAN ON PRESIDENT'S CALL FOR POLITICAL DETENTE

PA201518 Quito Radio Quito in Spanish 2300 GMT 19 Jun 86

[Text] Following a military ceremony this morning, Foreign Minister Edgar Teran Teran discussed aspects related to the country's internal policy with local reporters.

Regarding President Leon Febres Cordero's speech in which he called for a detente, Foreign Minister Teran said that it was positive, because both the government and the oppostion should work together for the country's benefit.

Teran added that the government of reconstruction is not trying to impose one ideology over another. He stressed that an understanding among the various political sectors in the country should not be based on a change of policy of the current regime, but on a feasible agreement between all sectors.

[Begin Teran recording] During this beautiful transfer ceremony at the Police Command, the president has been very clear in stating that an understanding among Ecuadoreans -- in the sense that we must resolve common problems affecting the entire Ecuadoran society -- depends on the goodwill of all the sectors involved. The president has emphatically stated that the intention is not to impose one ideology over another. However, the national government, elected in completely free elections, which publicized its government platform for the consideration of the Ecuadoran people during the electoral campaign and received the majority of votes, not only has the right, but the duty of maintaining its political stance. An understanding with other political sectors should not be achieved through [words indistinct] changes in the general concepts of the government policy, but through acceptable agreements between the sectors. [end recording]

GOVERNMENT TO SUPPORT OPEC MEETING DECISIONS

PA232021 Quito Voz de los Andes in Spanish 1130 GMT 23 Jun 86

[Text] Ecuador will adopt a position of solidarity with OPEC and will attend the ordinary OPEC conference on the Yugoslav island of Brioni on Wednesday with its oil production leveled off at 303 million [as heard] barrels a day. According to the head of the Ecuadoran delegation, Energy and Mines Minister Javier Espinosa, OPEC will reach a consensus on modifying the current production ceiling proposed for this year, which is 13.3 million [a day] during the third quarter and 17.3 million during the fourth quarter. OPEC's current oil production exceeds 18 million barrels a day and the efforts to conciliate the criteria of the 13 OPEC member-countries are aimed at establishing a strategy, which must be placed into effect in July for the purpose of recovering the official oil level [nivel oficial de petroleo].

POLICE VEHICLE DESTROYED DURING DEMONSTRATIONS

PA230113 Madrid EFE in Spanish 0504 GMT 22 Jun 86

[Text] Quito, 21 Jun (EFE) -- An Ecuadoran police riot control vehicle was set on fire by a group of demonstrators that included high school and university students.

Police sources reported that on Friday a tank was dispatched to control Central University student disturbances, but was totally destroyed by flames from "Molotov" cocktails hurled by the demonstrators.

The vehicle was apparently destroyed. The police report did not specify if the vehicle occupants, who had been clearing obstructions from the road, were burned or escaped uninjured.

This incident occurred at the site of the Central University of Ecuador during the 2d consecutive week of demonstrations protesting the high cost of staple products.

Student groups have been constantly blocking traffic for 15 days and clashing violently with police around the university and other schools.

Up until now the protests have claimed the life of one university student who was struck by a bullet fired from one of the antiriot police cars.

According to police reports, 30 students were arrested during the first week of street disturbances.

However, despite the demonstrations and the government clampdown, the prices of staple products continue to increase.

Student and union leaders announced that the street demonstration will continue until the government takes effective measures to control the high cost of living.

BRIEFS

$10-MILLION LOAN APPROVED -- The Directorate of the Andean Development Corporation has approved a $10 million loan to Ecuador to develop its small industry and handicrafts. The Ecuadoran National Development Bank will transact the loan. [Summary] [Caracas EL UNIVERSAL in Spanish 14 Jun 86 p 2-1PA]

REPRESENTATIVE OPPOSES CUBAN ALADI PARTICIPATION

PY240222 Asuncion EL DIARIO in Spanish 23 Jun 86 p 13

[Text] In view of the possibility that Cuba may join the Latin American Integration Association (ALADI) as an observer, Fernando Constantini, coordinator of Paraguayan activities before ALADI, has stated that the Paraguayan delegation "will always uphold an anticommunist stand." Constantini stated that "if this were to happen, we could not allow a country that insists on upholding an aggressive Marxist-Leninist stand to join an international organization, because we know about all the guerrillas and infiltrators that Cuba has exported or tried to export to other countries." Constantini stressed that "if this occurred, we could not allow our enemy to join an organization that precisely aims to promote cooperation and integration among the Latin American countries."

Regarding a scheduled meeting of customs directors to be held in Havana, he said that "we cannot agree to a meeting of customs directors to be held in Havana. I do not believe that a Paraguayan representative will be able to attend such a meeting, since Paraguay does not and will not maintain any kind of relations with Cuba."

MINISTER SAYS LAINO NOT ALLOWED TO ENTER COUNTRY

PY240302 Asuncion Cerro Cora Sistema Nacional Television in Spanish 0000 GMT 24 Jun 86

[Informal press conference by Interior Minister Dr Sabino Augusto Montanaro with unidentified reporters on 23 June; place not given -- recorded]

[Excerpts] [Reporter] A few minutes ago [Interior Minister] Dr Sabino Augusto Montanaro stated that Dr [Domingo] Laino will not be allowed to enter the country tomorrow, charging him with being an agitator and a subversive. Concerning [former U.S. ambassador to Paraguay] Mr Robert White, Montanaro stated that we know this individual quite well. Mr Minister, we do not want to miss this great opportunity to talk with you about tomorrow's event -- Dr Laino's latest attempt to return to the country.

[Montanaro] And what do you want me to tell you?

[Reporter] I do not know. Whatever you know about this, Mr Minister, please.

[Montanaro] If he makes an attempt to enter the country, he will be banned, because we consider him a subversive element, dangerous, a public agitator with a well-known record in our country even to those who will reportedly accompany him tomorrow, that is, former Ambassador Robert White or some deputies and senators.

Domingo Laino burned a U.S. flag when Mr Nelson Rockefeller visited our country. You may guess the moral standards of this individual who wanders through foreign countries and international organizations, as published in today's press, asking that no credits be granted to Paraguay. This is his idea of patriotism. He does not realize that he is harming, that he is seeking to harm our country. However, we know him well, and we are willing to confront him. He will not come to disrupt the country's peace, order, and tranquillity. We know about his adventures, and we know about the adventures of former Ambassador Robert White, who now seeks to come to our country to dictate democratic rules, or I do not know what rules.

He will be received. However, we know his record. We know about his adventures, and the Colorado Party and the government are willing to defend the country's tranquillity and peace.

[Reporter] Mr Minister, are you saying that if a delegation comes accompanying Dr Laino it also will be banned from entering the country?

[Montanaro] No. The one who will not be allowed to enter the country is Mr Domingo Laino. The rest, if their papers are in order, will be allowed to enter the country.

[Reporter] What will the procedure be Mr Minister? Will he be told to remain inside the airplane, or what?

[Montanaro] That will be up to the security services, who must enforce the order that he not enter the country. Thank you very much.

Foreign Minister on Laino

PY201701 Asuncion HOY in Spanish 20 Jun 86 p 7

[Text] Foreign Minister Carlos A. Saldiver stated emphatically yesterday that "there is no reason why we should discuss the return to Paraguay of political exiles with any ambassador." The foreign minister made this statement in response to a question posed to him shortly after receiving U.S. Ambassador Clyde Taylor. In referring to the meeting, Saldiver stated only that they had discussed "issues related to U.S.-Paraguayan relations, the cooperation maintained with the U.S. Government as well as our stance, which many times coincides with the international organizations."

The idea that they could have discussed Domingo Laino's return could not be confirmed by Ambassador Taylor, who gave the media no time to ask him about the meeting. However, the concern shown by congressmen and high-ranking U.S. Government officials regarding the political opponent's return to Paraguay lead us to believe that Ambassador Taylor could have mentioned the subject to Minister Saldivar.

Laino's return at this moment is probably most inopportune for the Paraguayan Government. High-ranking authorities, among them Interior Minister Sabino Augusto Montanaro, have repeatedly commented on the government's refusal to allow Laino back. The foreign minister reiterated that no ambassador has any authority on the subject and, therefore, it should be free of any foreign pressure.

It is well known, however, that Foreign Minister Saldiver, as well as the Paraguayan ambassador to the United States, Marcos Martinez Mendieta, have received petitions from congressmen, private organizations, U.S. Government authorities, and various individuals regarding Domingo Laino's return to Paraguay.

In a message addressed to Ambassador Martinez Mendieta on 9 June, Congressman William Lehman stated: "I would like to know whether Laino will be prohibited from returning to his country and, if so, the reasons for that decision."

Former U.S. Ambassador to Paraguay Robert White, in another message to Minister Saldivar dated 13 June, announced that he "would participate in a delegation that would accompany Laino to his country" and that together with other prominent U.S. citizens he granted his support to the political leader.

SOCIALIST INTERNATIONAL CONGRESS OPENS IN LIMA

Garcia Speech

PY212327 Lima Television Peruana in Spanish 0200 GMT 21 Jun 86

[Speech by President Alan Garcia Perez opening 17th Socialist International Congress at Crillon Convention Center in Lima on 20 June -- recorded]

[Excerpts] Mr President, fellow socialists, friends: On opening the 17th Congress of the Socialist International [SI], which comprises 75 political movements and represents hundreds of millions of citizens throughout the world, I welcome you, fellow SI members, who share our ideals and hopes.

You come from different continents, you speak different languages, you belong to different races, your countries have had different histories, but you have come to meet here guided by a single sentiment: solidarity, a guiding principle of democracy and socialism.

You have come here despite the acts of violence with which totalitarian and criminal people sought to prevent or mar this meeting. You have come despite the biased campaign, which disseminated gross reports about Peru in an attempt to sow fear among the SI delegates. Still, you have come as standard bearers of socialist solidarity because you believe that in our effort to promote dignity and justice, we should not yield to difficulties. Thus, on opening this congress and reaffirming our decision to take action and keep our commitment, I want to tell you that this government -- which is also your government because it represents all Peruvians -- will not stop.

Although we are experiencing the worst crisis in our history as a result of many years of domination, injustice, and errors, our government will not stop. The Peruvian Government will not give up its position regarding the foreign debt, which has brought distress to poor countries and which jeopardizes their development, and it will not yield to the IMF. The Peruvian Government will invariably maintain its decision to defend Latin American sovereignty, which is threatened by imperialist intervention in Central America, and it will unreservedly support the revolutionary cause of the Nicaraguan people.

The Peruvian Government will maintain its objective of carrying out a democratic revolution that would be instrumental in building a society in which freedom, equality, and solidarity will prevail. The Peruvian Government will also defend order and its nationalist, popular democracy.

There are some who believe that to promote dialogue a democratic government must yield to economic power or to criminal, antipopular violence. I want to tell these people that a government elected by the people, to establish order and promote changes, must be patient and generous. However, it must also be firm because a popular democracy cannot be weak and should not let violence prevail in the country. If this happens, brutal force will prevail.

When the people vote for justice and nationalism they expect their decision to be respected. When preparations began here for this SI meeting and in the presence of journalists from many countries, terrorist criminals simultaneously attempted to seize several prisons by taking hostages and arms.

Several citizens and members of security forces were also murdered in recent days. All these actions are designed to blackmail our democracy in the eyes of other peoples. These criminal actions respond to the objectives of the imperialist power that dominates the future of mankind.

Before the whole world and putting all our cards on the table, representatives of our government urged the rioting inmates to surrender. A group of men of good faith went to the prisons to implore them to avoid sorrowful events. Since this effort was unsuccessful, the government had to exercise its authority, with the dramatic and regrettable outcome of the loss of many lives, including members of our security forces. Yet, we have managed to preserve a fundamental principle: authority. This authority does not stem from the brutal force of a fascist dictatorship or tyranny. It is the authority and moral strength of a democratically elected government. This authority stems from the inflexible power of the laws before the government must be firm and stern to make the people's will respected. Only by exercising the authority bestowed upon us by the people through elections will we be able to build a nationalist, democratic state and a society of free men devoid of exploitation, hatred, or injustice.

Therefore, we will steadfastly defend the people's democracy in Peru from our right-wing enemies and from totalitarian and criminal people alike. These goals are our best greetings to all socialist and democrats who are here today and our best tribute to the memory of our protector and friend Olof Palme, our deceased fellow socialist who promoted democratic socialism, defended and sided with the poor, and is today another martyr for mankind and its struggle for the future. I also want to greet President Brandt, our great companero and Nobel Peace Prize winner, who is a living symbol of solidarity and of our commitment to freedom and justice.

Companero Brandt, I cannot tell you how much I regret that your presence, which is a symbol of peace, has coincided with these concerted actions perpetrated by the enemies of democracy. As the democratic ruler of this popular democracy, in the name of Peru and of all socialists, and in the name of our people who have not lost hope, I want to sincerely apologize for this. I want to tell you, however, that the power of the state and the power of democracy will prevail over those who overlook the fact that a true revolution can stem only from democracy and elections. [applause]

Fellow socialists, I want to welcome you in the name of the Peruvian people and of our renewed democracy. I also want to welcome you in the name of the great champion of social justice in Latin America, of someone who advocated anti-imperialism as his revolutionary principle, and who for 60 years called upon the people to promote social justice: I want to greet you in the name of the founder of the American Popular Revolutionary Alliance [APRA], I want to greet all socialists in the world in the name of Victor Raul Haya de la Torre. [applause]

This is the first world socialist congress held in Latin America. It is therefore a historic (?event) attended by representative of rich, developed European countries and representatives of Third World countries, which were first dominated by capitalist imperialism. Early in this century, however, the socialist movement also reached the Third World and appeared as a possible solution.

Here we are with different names and doctrines, seeking to identify the common goals of our struggle. We recognize, however, that our peoples and histories are different.

We are meeting here at a time when the foreign debt is distressing poor countries, when the economic power of rich countries causes world restrictions, when imperialism threatens the weak, when the arms race among big and small countries reflect the profound irrationality prevailing in today's world, and when ideological fundamentalism seems to lead people to death. Yet we are meeting here because we believe that all peoples and men are equal, because we are in solidarity with mankind, and because we believe in freedom.

Today world order is experiencing an unprecedented crisis. Neither the capitalist system nor the statist system has been able to solve development problems. In fact, it is the modern concept that the United States and Europe should be the world centers of economic and political power that is now in crisis.

Even those political movements questioning this world order ended up joining it and betraying the principles of social revolution. Thus, it is our duty to continue to promote justice and freedom to understand the links existing among those of us who, under different names, are convening in this Congress. To this end, we must recall and recognize first that we are a pluralist equality.

What for many centuries we have called Western civilization has always been just an ethnocentric system. Since the time the imperialist peoples called all other peoples barbarians, Western civilization has primarily sought to promote equal principles. Paradoxically, this great civilization built on the superiority of certain groups -- although recognizing the existence of other races -- has always sought to impose its culture and civilization on others.

This is a dialogue within the complex framework of the history of socialism. Latin American social democracy and European democratic socialism are here, jointly seeking great goals, namely liberty, equality, and solidarity.

When I talk about solidarity, I am addressing myself to those socialists who are acting within rich societies or the richest and most powerful governments.

I remind them that they are morally obliged to pursue the cause of the poor people of the world, to defend the interests of the poor whenever they are at odds with the economic interests of their nations or governments, because if they overlook those ethical and human duties and turn their backs on the legitimate demands of the poor people of the world they wouldn't really be socialists. [applause]

Socialists and democrats of the world, the Peruvian Government is a government that is struggling for its ideals and principles, that is identifying itself with its aspirations.

As happened in Europe a century ago, many people believe that socialism can only exist as a distributor of abundance and that democracy is a straightforward solution to the most serious historical problems. They are completely wrong.

Within our poor peoples, destroyed by the imperialist actions, justice is to be achieved patiently. It requires time, effort, sacrifice. To indulge in delusion or impatience, to deny solidarity because of dramatic events, means to lack of the drive and persistence of socialism.

Eleven months after the APRA government was inaugurated, Peru is still experiencing the worst crisis in its history. The international prices for our products continue to drop. For this reason alone, this year we will receive $500 million less than we received last year for our exports.

The burden of the foreign debt is increasing day by day and is mortgaging our future. Inflation prompted by past governments has curbed but not halted, causing impatience among those who do not understand that Peru is a common endeavor. However, the reactivation is under way despite these problems. We progress with difficulty, slowly.

The redistribution of income for the poor sectors, which is one of the APRA tenets, is taking place amid great complications.

Within the political field, credibility in the democratic system and the state continues to be precarious, very weak. For many years, the people learned to distrust the government. Many people still vote with hope, but do not have much confidence.

In addition, many sectors do not identify with the government's efforts, and place hope in the idea that by increasing poverty and conflict they will have electoral advantages in the future. They do not remember the experience of other peoples who quite often were led into the dark fascism of dictatorships because of the confrontations prompted by vested interests.

Let me greet someone who, although not a member of this Socialist International, is here with us: Hortensia Bussi de Allende, the wife of the Latin American martyr president. [applause]

The efforts of the Peruvian people's government, the efforts of the APRA government will also pave the way toward justice and liberty. However, this is an effort that is confronting difficulties, a lack of understanding and dramatic events.

We will not repeat bitter experiences of the past. We will affirm, with the strictness and the force required by a popular government, the defense of the will expressed by the people to counter the right-wing enemies and also those enemies who, through the escalation of their contradictions, want to have us repeat those bitter experiences which, I am certain, will not be repeated in Peru.

However, beside all this, there is political violence which, stemming from anonymous terrorism, expresses who knows what criminal interests or goals.

Socialist friends, all this does not intimidate us. It will not make us retreat. With the same firmness with which we defend the law, we will defend the people from abuse and monopoly and we will defend ourselves from misunderstandings and misinformation.

Friends, this century has taught us that socialism has never been called to assume power amid opulence or richness as people believed last century. We are called to power whenever there is delusion, whenever there is a serious crisis, whenever there is no choice.

However, that is our responsibility. Perhaps that is our destiny and we already know our role. Let us swallow the bitter drink of momentary misunderstanding, so we can pave the way to consciousness and future.

Elections and opinions are an important part of politics. However, timeless truth is more important for an APRA believer. Therefore, I am telling you that this government is testing the ideological record of those who built the social doctrine of Latin America.

We are testing the strength of democratic socialism. We are testing the strength of the law and of the people's will.

We have stated that there is no democracy without anti-imperialism. We want to rescue our country and our continent from the swing of international selfishness. We, along with the other Latin American countries, were exporters of raw materials. We supported colonial and centralist industrialization. Now we are just debtor countries.

Therefore, we have taken decisive steps regarding the major problem of the 20th century, the foreign debt.

In our opinion, the foreign debt epitomizes the history of the dependency of Latin America and the people of the Third World. The foreign debt reflects the low prices being paid for our raw materials, the high interests being unilaterally collected, and the financial merry-go-round involving new loans to pay old debts.

Whoever believes in democracy in Latin America, must be an anti-imperialist or must express solidarity with that struggle in the world. [applause]

All anti-imperialists must clearly define their position regarding the debt, clearly, without objections, and without excuses. Either one supports the irrational system in which money has imposed its evil forces or one supports the people. Either one supports the banks or the poor of the world. The side you choose will determine whether or not you support justice. [applause]

The debt is not a political obsession of this government. It is not a publicity banner of the APRA government. The debt is real. It is making the poor people of the world poorer. It is being said that the International [SI song] is being sung on behalf of those poor people. The foreign debt's influence determines the level of state spending, the level of subsidies for staples, the cost of domestic credit lines, the level of salaries, and, thus the social and economic structure of our countries.

Therefore, the debt is now the key issue. It is the essence of the historic action being demanded from us today. Its solution epitomizes the liberty of the people and the restoration of their sovereignty.

In the second place, to struggle to be free of the debt means to struggle for the cancellation of a social order whose voracity and indebtedness has benefitted the oligarchies of our nations.

In the third place, to struggle against the debt means to recover our right, our people's rights to think of governing their own economies, thus breaking the colonial chains of liberalism imposed by the IMF, the world guardian of the international order of injustice.

This is transcendental nationalism we are preaching.

We want to put an end to the hegemony of the monetarist recipes and break the chains of the false theories devised to benefit the international economic centers and increase the misery and pain of the poor.

With their doctrines the rich have opened our economies exposing them to destruction. They have devaluated our currencies, and made credit more expensive. They have ruined our industry, pushing the people into despair. All this occurred in a continent with unlimited agricultural, mining and human resources. They have left our values out in the cold, banished.

They have done all this in complicity with the dominant classes of our peoples who played the lowly role of surrendering our destiny.

From now on, in our opinion, nationalism is to decide our destiny. However, the nationalism we advocate, as a principle of justice, must include the entire continent.

A 150-year-old dependency shows us that separated nationalistic ways have worn out. There is the dramatic situation of people who have chosen the destiny of the financial merry-go-round and are obeying the IMF dictates, peoples who time and again find poverty and failure.

Only joint actions by the Latin American peoples and the solidarity of the world's socialists and democrats will now, at this historic juncture, provide the key to a different quality of society.

We stated this when we conveyed our solidarity with the effort made by the Contadora Group, which is the Latin American political will to mediate between a small brotherly nation, which we support and will support, and the interventionist and shameless will of a powerful country.

Therefore, we say that this is a historic and decisive moment. This is the time for the peoples of Latin American because they demand that the governments act clearly and open the gates of history.

For us, democracy means to reorganize wealth and property. It means to reconstruct the state. It means to democraticize its services and a possibility for all social groups to participate in its institutions.

Therefore, we are making all these efforts now, amid the crisis, to meet the basic needs of neglected people who are demanding water, electric power, and work. This is the reason for our effort to rescue from oblivion the Andean Peru and the old empire which still survives amid the campesino community whose brotherly work we want to use as an example for a new democracy.

For us, to strengthen justice means to overcome hatred and distrust concerning other countries to definitely limit arms spending which, in most cases, only benefit sellers and those earning commissions and whose customers are the same countries whose confrontations they promote and encourage.

We have the moral authority of a government whose initial decision was to limit and cutback arms spending. I am urging the socialist and democratic heads of state of the rich countries to become aware of their historic responsibility.

How could one regard as socialist a poor country that arms itself against another country? How could one regard as socialist a rich country that for the sake of profit stimulates the production and sale of arms and other instruments of death, and which thus becomes an accomplice to those profiting from and dealing in human grief.

I believe a socialist must never forget that socialism means solidarity with life. No socialist can manufacture or sell arms. [applause]

We believe democracy should overcome the new distortions created by capitalist consumerism. Thus, as socialists, democrats, and APRA members we are determined to wage an all-out struggle against the drug trade. Drug trafficking is not a major social risk for Peru, but is to the people and youths of other countries, in the defense of which we will assume in the name of mankind and for which we will fight to ultimately eradicate the drug trade in Peru.

We will do all this amid the worst crisis in our history and great misunderstandings, especially from social groups that are not necessarily the poorest sectors.

We are thus faced with an instinctive temptation in the face of organized political pressure and in the face of an irresponsible exercise of liberties: We are naturally tempted to sacrifice democracy to act more effectively.

I want to tell you here that we are firm and stern. Crises and violence are dramatically testing the strength of our doctrine. It has been said time and again that crises engender fascist governments or the concept of a socialist totalitarian state.

Reaffirming our ideas, I want to tell you that despite the crisis we will maintain our full democracy to make all Peruvians good citizens. We will defend the people's decision to bring changes: We will defend it from domestic and foreign influences alike. We will also defend the people against terrorist violence and crimes, which only reflect irrational hatred.

We will fight violence with the effective power of the laws because democracy must be based on order and justice. We will defend democracy against selfishness and immorality; we will defend it against concealed injustices. Indeed, I tell you that we will build on our continent a people who will defeat imperialism, a people who will break the bondage of monopolies and oligarchies and who will build a society like the one sought by Haya de la Torre, that is, a society with bread and freedom.

Companeros, these are our goals. We are welcoming you with them, and we will bid farewell to you with these same goals. They are the same goals you are harboring because men have fought for them for many centuries. We will devote our time and our lives to achieving these goals. If we fall while fighting for these ideals, we would have strengthened them. This would thus be our contribution to disseminating these ideas and the generations to come will hear the voice of those of us who are speaking today about the future.

Socialists of the world, please convey our greetings to your peoples and to your parties. When you return home, please tell them that amid great difficulties we Peruvians will continue to struggle because we have faith in freedom, in justice, in solidarity.

Welcome, companeros, in the name of the people; in the name of those harboring hope; in the name of Haya de la Torre; welcome in the name of Peru, which is a fatherland of all world citizens. [applause]

Bombing Attempted

PY201938 Madrid EFE in Spanish 1918 GMT 20 Jun 86

[Text] Lima, 20 Jun (EFE) -- An alleged member of the Peruvian Shining path guerrilla Movement was blown to pieces today by a bomb that she was presumably going to throw at the building where an SI congress is being held. Unconfirmed reports indicate that two people have been killed in the building.

The police also believe that Shining Path members have infiltrated the security measures at the hotel where the SI members are staying.

Bombings, Fire Surround Opening

PY202148 Paris AFP in Spanish 1928 GMT 20 Jun 86

[Text] Lima, 20 Jun (AFP) -- A strong military operation designed to provide security during the SI Congress was put into motion today when two bombs exploded in downtown Lima, it was reported today by police sources. One bomb exploded in a restaurant adjacent to the San Martin Plaza in downtown Lima, 200 meters from the Bolivar Hotel -- where most of the SI delegates are staying -- and approximately five blocks from the Crillon Hotel Convention Center, where President Alan Garcia was then opening the SI congress. A few minutes earlier, another bomb was detonated on the Jiron Moquegua, four blocks from the Crillon Hotel. Both bombs caused damage but no injuries, the source said.

A huge fire early this morning completely destroyed the Venecia movie theater, despite the efforts of seven squads of firemen who fought the fire for 7 hours. The fire caused no injuries, and no subversive group has claimed responsibility for these attacks, the police said.

Concern Over Prison Riots

PY230331 Madrid EFE in Spanish 0200 GMT 23 Jun 86

[By Enrique Valls]

[Text] Lima, 22 Jun (EFE) -- The XVII SI Congress here tonight voiced its "consternation" over the events that occurred in this capital on 19 June during the repression of the riots by inmates charged with terrorism in three Lima prisons.

In a declaration referring to the events, the Congress also states that concern surfaced during the Socialist Congress over the "methods used and the number of dead" that resulted during the repression of the riots. The declaration states that Peruvian President Alan Garcia himself had considered the number of dead excessive and had admitted the seriousness of the incident by asserting that several investigations, one of them at congressional level, will be carried out. The document says that the Peruvian Government has the firm determination to investigate all events and to guarantee the punishment of all those found guilty of abuses.

The declaration then goes on to point out that the Peruvian Government has stated that its doors are open to all international human rights organizations to prove for themselves that the investigations are carried out.

The SI voices its satisfaction over the Peruvian Government's decision, which is a sign of its determination to strengthen democracy in Peru. The SI also reasserts that respect for the universal human rights declaration is a basic principle and that it should be respected under all circumstances by governments. The Socialist document adds that terrorism cannot be allowed to destroy the state of law and that governments have the right and duty to defend themselves from terrorist actions with adequate means. The declaration was issued after lengthy deliberations.

The events to which the document refers have caused serious concern among the European delegates attending the SI congress, while the Latin American delegates justified the measures taken by the Peruvian Government to repress the riots.

Further Concern Expressed

PY220346 Madrid EFE in Spanish 0149 GMT 22 Jun 86

[Text] Lima, 21 Jun (EFE) -- An atmosphere of concern prevails at the XVII SI Congress, especially among the European delegates, over the deaths of a large number of inmates 48 hours ago in the Lima and Callao prisons. To add to the concern, two bombs exploded today in Lima and stricter security measures are being taken downtown where thousands of policemen watch over the SI congress. The government also ordered the closure of theaters in the area after a fire yesterday destroyed the Venecia theater. The fire has been attributed to subversive groups.

This morning a car bomb exploded in the San Isidro district, leaving the Peruvian Construction Bank practically in ruins and damaging nearby houses and businesses, but causing no casualties. A bomb was also thrown at a police post in the Miraflores district, wounding a policeman and causing some damage. These and other attacks, which occurred yesterday, are interpreted as a reaction from subversives over the deaths of terrorists held in three prisons in Lima and Callao when the riot conducted by imprisoned Shining Path terrorists on 18 June was put down by the government.

The reception that President Alan Garcia was going to give for the SI delegates, who yesterday opened a meeting that will end on 23 June, was also suspended for security reasons.

It has also been reported that 43 students of the Technical University in Callao were arrested by the police for disrupting order. Yesterday that university was surrounded by the police when students demonstrated accusing the government of genocide over the events in the prisons of Lurigancho in Lima, and Santa Barbara and El Fronton island in Callao.

A climate of concern over the events in the prisons has been observed among the SI delegates, especially among those of Europe, while the Latin Americans try to justify the action taken by the Peruvian Government against the riots.

President Alan Garcia held a 2-hour meeting yesterday with the SI president, former FRG Foreign Minister Willy Brandt, to explain what happened, but apparently the Social Democratic leader was not satisfied. Today the Peruvian president will meet at a dinner with the SI executive committee, apparently to assess the same issue.

Meanwhile, this afternoon four SI delegates, three Germans and a Belgian, made a personal request to visit the Lurigancho prison, but the police who have cordoned off the area did not allow them to enter. Military forces remain within the prisons, however, since the three prisons have been declared "restricted military zones."

United Left Deputies Agustin Haya de la Torre and Cesar Barreda Bazan, accompanied by Uruguayan Broad Front representative Jose Daiz, and some reporters also requested to enter the Lurigancho prison, but their visit was also prevented. The United Left deputies wanted to learn about the fate of 70 detainees who belong to that party and who are being held in Lurigancho.

Moreover, United Left Deputies and Senators sent a message to the SI, asking the organization to "intervene before the commander in chief of the armed forces, Alan Garcia Perez, that is, the president of the Republic, to end the military intervention in the prisons."

The IU representatives have also requested that, in addition to the signatories of the document, Peruvian and foreign journalists be allowed to enter the Lurigancho Prison so that the bodies of the inmates can be turned over to their relatives. Today, Peruvian Vice President Luis Alberto Sanchez stated the bodies of Shining Path members will be turned over to their relatives.

Sanchez also admitted that SI representatives have criticized the way in which the Shining Path rebellion was put down. Sanchez said these people had the right to disagree. He added: But we, in turn, criticize and disagree with those who criticize us and disagree with us. Sanchez, a prominent leader of the ruling American Popular Revolutionary Alliance, has said that if "excesses" were committed in putting down the riots in the Lima jails, those responsible "will be punished." He also said that the government does not regard the case of the riots "as a victory, but as a painful action it had to take."

Moving scenes were also observed in Lurigancho, where relatives are trying to find out about the whereabouts of inmates held there on common crimes.

The United Revolutionary Left (UNIR), a member party of the IU, has reported in a communique that 11 victims of the riots were buried at the Surquillo Cemetery, a district of Lima. Of the 11 victims, 2 were female Shining Path members killed in Santa Barbara and the others were reportedly from Lurigancho. Others reports said those buried there totaled 30.

Access to jails placed under civil courts has also been restricted.

Foreign Debt Proposal

PY220250 Paris AFP in Spanish 1946 GMT 21 Jun 86

[Text] Lima, 21 Jun (AFP) -- The XVII Socialist International [SI] congress announced today in Lima that it will propose the cancellation of the debts of the poorest countries and the rescheduling over 30 years of the debts of the other Third World countries with a maximum annual amortization not higher than 20 percent of export revenues.

The congress will also propose a joint conference of debtor and creditor countries, including the banks, in order to create an international debt organization [Organizacion International de la Deuda -- OID] that will negotiate agreements with each country for the payment of its debts, establishing time limits, interest rates, and due dates, and also manage and supervise the execution of the agreements.

The economic policy committee, which met on the 2d day of the congress that will end next Monday, states in a work document that the indebted countries should also adopt measures to put into effect minimum social levels, to limit expenditures on weapons, and to fight against capital flight, with the purpose of better organizing their economies and debts.

According to several third world representatives who are participating in the sessions, the SI initiatives are quite valid for what has been established as the worst problem resulting from the world economic crisis.

The document recommends five basic measures to face the debt crisis within the framework of global recovery:

1) Cancel the debts of the least developed countries, mainly those of the Southern African Sahara and of other developing countries.

2) To reschedule the debts of the remaining Third World nations based on the extension of the 30-year limit at least to pay the principal of the debt, including especially the Latin American countries, whose current debt levels not only restrict their importing capacity, but threaten the security of the financial institutions of the developed countries.

3) Set a ceiling for the interest rates to complement the extension of deadlines on payment of the principal, and thus decrease the current interests.

4) Set the payment of the debt in proportion to a certain percentage of export revenues of the developing countries not to exceed 20 percent.

5) Increase the Special Drawing Rights [Derechos Especiales de Giro -- DEG] to the equivalent of some $150 billion over a period of 5 years to support the processes of debt readjustment, recovery, and development.

Regarding the OID, the proposal suggests that it should operate in coordination with the World Bank and the regional development banks, and that its characteristics should reflect the development needs of each of the debtor countries. It also proposes that as far as official aid to developing nations is concerned, the creditor countries should increase to 0.7 percent the Gross Domestic Product and adopt measures to encourage greater investments and the transfer of technology.

Brandt Reelected President

LD230751 Hamburg DPA in German 0008 GMT 23 Jun 86

[Text] Lima, 23 Jun (DPA) -- Willy Brandt, chairman of the SPD, was unanimously elected president for another 3 years by the SI meeting in Lima on Sunday. Brandt has been leading the International, to which 60 Social Democratic and Socialist parties belong, since 1976.

The SI congress, which is convening until today in the Peruvian capital, also confirmed Pentti Varnanen (Finland) in his office as secretary general.

Venezuela's Perez Comments

PY201615 Lima Panamericana Television in Spanish 0300 GMT 20 Jun 86

[Excerpts] Former Venezuelan President Carlos Andres Perez has condemned violence and expressed his complete support for Alan Garcia's government. Carlos Andres Perez will participate in the SI Congress which starts on 20 June.

[Begin recording] [Unidentified reporter] How are you? What do you think are the most important issues that will be discussed in this world congress?

[Perez] The SI World Congress to be held in Lima is an important international event.

The most important issue will, of course, be the problems pertaining to the present international economic situation and the foreign debt problem that is affecting all countries in general, and Third World countries in particular. Other important issues will be terrorism, violence, the efforts to achieve an understanding between the superpowers, and the elimination of the use of nuclear energy as a tool to destroy the human race, and in wars.

All these issues will be discussed during this conference, but we will also discuss the specific problems that are affecting Latin America: the democratization of the Southern Cone; the struggle against the dictatorships of [Chilean President Augusto] Pinochet and [Paraguayan President Alfredo] Stroessner. We will also discuss the achievement of a negotiated solution to the Central American conflict.

All of these issues will be discussed in this conference.

[Reporter] What is your view on the foreign debt?

[Perez] Well, I fully support the position upheld by the great Peruvian president, my friend Alan Garcia. Furthermore, I believe that Latin America will follow his path. We should only pay on the basis of the value of our exports. But we should take this further. We should rationalize our debt with our foreign trade and achieve stable and fair interest rates. Moreover, we should not let the payment of the foreign debt undermine our right to achieve the development and well-being of our countries.

[Reporter] What is your opinion on terrorist violence?

[Perez] Our presence here in Peru is an expression of solidarity with Peruvian democracy. Terrorism is bad no matter its origin. Whether it is practiced by the extreme right or by the extreme left. Terrorism is not just justifiable in any kind of struggle to achieve the freedom of a nation.

We hope that peace and harmony will prevail in Peru very soon and that this will form the framework in which this extraordinary democratic experience, headed by President Alan Garcia, will prosper. [end recording]

Leaders Condemn Violence

PY201614 Lima Radio del Pacifico in Spanish 1300 GMT 20 Jun 86

[Text] Guatemala has condemned the violence in Peru and deemed it entirely incomprehensible because the whole world knows of the great efforts that President Garcia is making to get his people out of their difficult economic situation. This statement was made by Mario Solorano Martinez, secretary general of the Guatemalan Socialist Party, who pointed out that when a country has a president such as Alan Garcia who always struggles to overcome difficult situations, then there is no justification for violence.

Meanwhile, former Venezuelan President Carlos Andres Perez had condemned the wave of violence affecting the Latin American peoples, who have always fought to establish democracy. Perez said that there is no justification for the wave of violence being experienced in Peru, particularly now that the destiny of its people is in the hands of a young Latin American leader who, in only a few months in office, has achieved profound changes in the Peruvian society, by favoring the poor.

Resolution on Central America

PY231942 Madrid EFE in Spanish 0337 GMT 23 Jun 86

[Text] Lima, 22 Jun (EFE) -- In a resolution on Latin America and the Caribbean which was approved tonight, the 17th SI Congress rejected the Reagan administration's policy towards Nicaragua because it increases the possibility of a widespread military conflict in the area. "Regarding Nicaragua," the SI resolution states, "we reject the Reagan administration's policy of destabilization, economic blockade, and military aid to the irregular forces that have been operating in that independent, sovereign nation." The SI parties demand that the U.S. Government give "constructive solutions that would be instrumental in restoring peace."

The SI resolution states that all peace efforts should be based on proposals made by Latin American foreign ministers. These proposals include the suspension of foreign aid to all irregular forces and subversive groups operating in the area and a freeze on arms purchases. The SI also advocates the suspension of international military exercises, the withdrawal of foreign military advisers and facilities, the signing of a nonaggressive pact among the five Central American countries, and effective steps to fully implement human rights and individual liberties.

Regarding Nicaragua, the SI states that "the Sandinist Revolution has not yet fulfilled its objectives of achieving nonalignment, pluralism, and a mixed economy." The SI resolution adds: "The SI has supported and will continue to support these objectives. We will also continue to contribute to achieving a peaceful solution in Nicaragua."

Regarding El Salvador, the SI states that "the U.S. Government should not insist on inserting the Salvadoran conflict within the East-West confrontation." The SI voices its hope that the recent peoposals for dialogue between the government and te FDR-FMLN guerrilla group will result in sound talks that would end the armed conflicts and their tragic consequencces.

The SI conveys its support for the Guillermo Ungo-led National Revolutionary Movement, which is affiliated with the SI. The SI states that "the Salvadoran people and the international community insist that human rights and political liberties be fully respected in that country."

The SI also charges the U.S. Administration with using Honduran territory as a base for military actions in Central America. This fact not only undermines Honduran sovereignty but is a factor in spreading the regional conflict.

The SI expresses satisfaction for the opening of a democratization process in Guatemala and supports the efforts of those Guatemalan democratic organizations that are directing this process.

Regarding Costa Rica, the SI has stated that the policy announced by President Oscar Arias, which reaffirms Costa Rican neutrality and its desire to promote peace, "has decisively contributed to strengthening democracy and to promoting an atmosphere conducive to solving the Central American crisis."

Regimes Criticized

PY231511 Madrid EFE in Spanish 0341 GMT 23 Jun 86

[Text] Lima, 22 Jun (EFE) -- The SI reaffirmed today its solidarity with the struggle of the Chilean and Paraguayan democratic forces to end their respective regimes and decided to send and to collect information."

In a resolution on Latin America and the Caribbean which was approved to night, the SI stated that "the end of the oldest dictatorship in the continent is in sight." The SI adds: "The efforts of the Paraguayan people, of the popular sectors, and the civic actions of democratic parties are paving the way for the country's liberation."

Regarding Chile, the SI resolution states that "Pinochet's dictatorship has repressed with increasing violence the peaceful mobilization of the Chilean people who are demanding, with increasing force, that democracy be restored."

The SI conveys its full solidarity with the Chilean Radical Party and with all of the Chilean democratic forces "in their struggle to regain political liberties and to end human rights violations."

Program for World Crisis

PY240007 Paris AFP in Spanish 1201 GMT 23 Jun 86

[Text] Lima, 23 Jun (AFP) -- The SI today adopted a program of action against the world economic crisis that proposes the cancellation and restructuring of Third World debts and the reorganization of the international financial and monetary systems that is much more ambitious than the Baker Plan. The SI Committee for Economic Policy stated that although curbing inflation is still an important objective, what is paralyzing the world economy is mutual deflation instead of inflation.

The program of the 17th SI Congress, which concludes today in Lima, also supports a proposal by French President Francois Mitterand for a new conference in Bretton-Woods and is against the deflationary policies of the IMF. In addition, the program demands the reform of the IMF and the World Bank. The SI program argues that this reform is necessary not only because these two organizations oppose the possibility of improving the well-being of the South, but also because they restrict the possibilities of reducing expenditures and boosting trade between the developed and developing nations. The program reviews and expands the previous proposals made by reelected SI President Willy Brandt regarding the prospects for a new international economic order, with clearer rules of the game between the North and South, and is based on three imperatives: linking the economic recovery with the reorganization of trade, the world economy, and the redistribution of world resources.

To cut down expenditures and increase trade, the SI admits that the main problem narrows down to the fact that there should be a number of governments with the necessary confidence to act jointly in a self-sustained process of mutual expansion. The program adds that the world objective is to gather $100 billion yearly for a recovery program. It points out that this is only one-tenth of what the world spends each year on weapons. This objective reportedly will be implemented for a decade to promote the mutual expansion of imports between North and South, to promote growth and employment in the developed nations, and to guarantee that Third World countries can endure development deficits. It foresees that these development deficits must allow Third World countries to maintain their import capability, to develop their productive capacity and increase employment, and at least to maintain an adequate level of social services. For the weakest and poorest nations it proposes an emergency $10-billion program of additional yearly assistance during the next decade to help these nations participate in the economic recovery without having to be submitted to the recession imposed on them over the past few years.

Regarding the debt crisis, the Social Democrats reject the possibility of reviewing each case separately and call for an international conference betwen debtor and creditor countries to discuss the following topics:

-- Canceling most of the debts of the least developed nations, especially those affected by drought in Sub-Saharan Africa.

-- Flexibly reorganizing the debt payments schedule to the extent that no country will be forced to pay more than 20 percent of its export revenues over the long term to service current debts.

-- The establishment of an agreed-upon ceiling for interest rates.

-- The creation of the necessary financial instruments so that the banks, together with creditor and debtor countries, may establish international aid to reduce the debt.

On proposing the reform of the international financial monetary systems, the document includes the IMF and the World Bank, stating that they should finance over the long term the development deficits of Third World nations; that they should create a similar process of readjustment for the balance of payments, distributing the burden between those having surpluses and deficits; and that they should represent in a just manner the countries of the West, East, and South.

It also prposes linking international liquidity to the capacity for world development, increasing the Special Drawing Rights to $150 billion every 5 years, promoting more stable exchange systems, and basing world liquidity on a monetary system of international rerserves that cannot be decisively influenced by a single country. A world trade reform should prevent discrimination; allow more participation by Third World countries in trade benefits; give them access to markets in the North; include multilateral protection agreements; and support an institutionalized mechanism that will stabilize prices of raw materials.

Regarding development and structural aid, the document demands, among other things, that 0.7 percent of the world powers' GDP be allocated to Third World countries in 1990; that the code of conduct proposed by the United Nations for transnational companies by implemented, and that 5 percent of the amount saved by disarmament by earmarked for a war againste poverty, hunger, and disease.

The Socialists of the five continents who are participating in the Lima conference have promised to exert influence in their countries, as government officials and as political parties, to promote the acceptance of these proposals.

Falkland Negotiations Urged

PY231353 Madrid EFE in Spanish 0359 GMT 23 Jun 86

[Text] Lima, 22 Jun (EFE) -- The 17th SI Congress today urged Great Britain to "immediately" initiate negotiations with Argentina on the future of the Malvinas Islands. In a resolution on Latin America and the Caribbean that was approved tonight, the SI emphasized the sovereignty issue. It cited a joint statement signed in September 1985 in Paris by President Raul Alfonsin and UK Labor Leader Neil Kinnock, which reflected "a spirit of opening," as a guideline to be followed in these negotiations.

Junblatt Reelected Vice President

NC231713 (Clandestine) Voice of the Mountain in Arabic to Lebanon 1630 GMT 23 Jun 86

[Excerpts] In Lima, Peru, the 17th SI Congress has reelected Walid Junblatt as vice president. The Progressive Socialist Party was represented at the congress by party Central Committee member Duraydiyah.

Brandt Closes Congress

PY240314 Madrid EFE in Spanish 0155 GMT 24 Jun 86

[Text] Lima, 23 Jun (EFE) -- Socialist International [SI] President Willy Brandt today said that the SI "is not an organization that gives marks for good or bad behavior." He also expressed his satisfaction over the commitment that President Alan Garcia has made to conduct investigations into possible excesses committed during the repression of the prison riots.

Brandt said that the Peruvian president promised that independent persons will be involved in these investigations and that "the doors will be open to foreigners from friendly countries" who wish to come and inform themselves. He added that "everything beyond this is not within our competence."

Brandt asserted that "it would be very arrogant on my part, for me as a European, to act as a censor or as a judge. Who am I, who comes from a country that only 40 years ago experienced a dictatorship, although everyone knows that I was not a Hitler sympathizer, to adopt an attitude of this nature?"

The topics discussed during the press conference held at the closure of the SI Congress mainly centered on the recent jail riots and in particular on the nature of the investigations to be carried out. The president of the SI Congress noted that they witnessed dramatic events, because "no one could be left out of this challenge that the Peruvian democracy is confronting."

APRA [American Revolutionary Popular Alliance] Secretary General Armando Villanueva, who was also present at the conference, confirmed press reports indicating that the bodies of the victims are being buried for "biological reasons." But he assured that all of the relatives are being notified and that there is the possibility of exhuming the bodies. He added that "investigations will be conducted into every case and will last until everthing is completed." Answering journalists, Villanueva insisted that these investigations will be independent and that they will be carried out in the three jails, as has been guaranteed by President Garcia. The official number of dead is still 159, but unofficial reports estimate that the victims total 300.

Regarding the notable absences from the congress, the first being held in Latin America, Willy Brandt noted that "they should not be granted much importance." Brandt said that Swedish Prime Minister Ingvar Carlsson could not attend the congress because of Swedish public opinion. Brandt said: "They have just lost a leader" -- alluding to Olof Palme -- and they are asking his successor to stay at home for a while." Commenting on the Norwegian prime minister, Brandt said that she had to urgently return to her country from Caracas, "because her government had to adopt an urgent decision." But Willy Brandt did not allude to the absences of Israeli Prime Minister Shimon Peres, and particularly that of Italy's Bettino Craxi, who cancelled his trip to Peru the day after the prison riots were reported.

Brandt asserted that "there should be no surprise about the fact that the SI Congress ended its negotiations last night. This happened because the sessions lasted 2 extra hours, and this morning we decided to hold bilateral talks." As for the document regarding Latin America in which the SI requests foreign forces cease their support for irregular forces and subversive elements, Guillermo Ungo himself noted that the term "subversive elements" does not refer to the FMLN. Ungo said that "during the debate and the speeches, the difference between he FMLN, because of its nature as a national movement and the contras as mercenaries, was made perfectly clear."

Brandt referred to the final resolutions issued by the SI conference, which are included in the Lima Manifesto, and added that the main issue of the discussions "was and will continue to be the foreign debt crisis." He also referred to the chapter regarding disarmament, but he admitted that to request that 10 percent of the funds spent on arms be dedicated to development "is a lofty goal, but it will not become a reality in the near future."

Willy Brandt also thanked the Peruvian Government and the APRA for their warm welcome and expressed his best wishes for the future of Peru's democracy. The SI president said that "it was a memorable visit."

SI Members on Contadora

PY231549 Paris AFP Spanish 0100 GMT 23 Jun 86

[Text] Lima, 22 Jun (AFP) -- Carlos Andres Perez, vice president of the SI, stated today in Lima that the intransigent position of Nicaragua and the United States, as well as the subordinated condition of some Central Amerian governments, are obstructing the signing of the Contadora Act, which aims to solve the crisis in that regin.

Perez, the former Venezuelan president, stated before the 17th SI Congress that Nicaragua has a responsiblity to the Latin American countries. He added that Nicaragua should not jeopardize the Latin American democratization process with its intransigent position. Perez believes that Nicaragua has the obligation to support and sign the Contadora Act by having confidence in the mediation being conducted by the Contadora Group and the Contadora Support Group. Perez also stated that the SI is concerned because the Sandinist revolution projects of political pluralism, mixed economy and nonalignment unfortunately have not yet been fulfilled.

The Central American crisis was extensively debated in the SI congress after Bayardo Arce, the FSLN, representative said that, in honor of peace in Central America, Nicaragua was willing to give an inventory of its entire war materiel including military personnel and advisers in order to discuss their limitation, reduction or abolition. Arce stated that the Nicaraguan proposal is serious. He demanded international pressure on the U.S. Government to establish dialogue and create border commissions.

Former U.S. Ambassador to El Salvador Robert White, who also participated in the debate, pointed out that the Reagan administration will not be satisfied until the Nicaraguan Government is overthrown, and this is why it supports the contras. White, who was ambassador under the Richard Nixon administration and is a member of the SI U.S.-Central American Committee, also stated that the U.S. congress does not support President Reagan's proposal becuase it has been proven that there is serious corruption in the aid to the contras.

Panamanian delegate Carlos Ozores demanded the direct SI participation in the negotiations to pacify Central America.

Chilean representative Anselmo indicated that if the Contadora Group fails in its mission in because the U.S. Government is manipulating the process.

Sule added that Lain America must seek its own solutions. He warned that there will be no peace, no justice and no respect for hyman rights if the right for the free determination of people and the principle of nonintervention are not defended.

PRESIDENT GARCIA: PERU WILL NOT BE MILITARIZED

PY232324 Paris AFP in Spanish 2243 GMT 23 Jun 86

[Text] Lima, 23 Jun (AFP) -- President Alan Garcia asserted in Lima today that he will guarantee with his own life that Peru will not be militarized, as has been predicted by some sectors as a consequence of the riots stirred up by prisoners charged with terrorist activities and their repression by the military forces which resulted in hundreds of dead. Upon receiving FRG politician Willy Brandt at Government House today, Garcia asserted that democracy prevails in Peru and that he will take the necessary measures to prevent democracy from yielding to fascism and dictatorship.

Regarding the riots in the Lima prisons during which many persons were killed by mistake, Garcia stated that democracy must have the authority to keep it from slipping into authoritarism. He added that if mistakes are made and abuses committed in a democratic government, democracy knows how to punish and rectify them. Garcia assured the people of the world that there is no, nor will there be a Bordaberrization [referring to Uruguayan President Bordaberry's pact with the Armed Forces] nor will Peru be militarized, because the Armed Forces in our country obey the legitimately established power.

Garcia asserted: I guarantee this with the strength of the people and my own life. The democratic power in Peru has not and will not be subordinated to any other force than that elected by the people. The Social Democratic president also said that when democracy is defended firmly, this does not mean that this is being done to protect privileges or to defend injustice.

Meanwhile, Navy Minister Julio Pacheco has reported that the bodies of six rioters were found in the rubble of the El Fronton Prison, thus bringing to 36 the number of persons killed at the prison island. He added that the last bodies that were found have been buried in several cemeteries and that their relatives have been notified. He said: "I have also been informed that the dead at the Luringancho Prison have been buried."

Pacheco said that although the incidents at the El Fronton Prison, which were repressed by the infantry, are not included in the investigation on alleged human right violations that has been ordered by President Garcia, the Navy is willing to subject itself to this investigation. Admiral Pacheco said that he believes that the Maoist Shining Path will not change its actions or guidelines because of the prison riots. He said that Garcia's statement that Peru will not be militarized confirms the fact that the Peruvian Armed Forces have alsway subordinated themselves to the authority of the government.

In addition, Interior Minister Abel Salinas has said that the possibility that more bodies will be found at the El Fronton Prison has not been ruled out.

PRESIDENT SANGUINETTI RETURNS FROM U.S.

PY212138 Madrid EFE in Spanish 2016 GMT 21 Jun 86

[Text] Montevideo, 21 Jun (EFE) -- Uruguayan President Julio Maria Sanguinetti returned today to Montevideo after making a 5-day official visit to the United States where he met with President Ronald Reagan.

At the Carrasco International Airport Sanguinetti resumed the Presidency, which was held by Vice President Enrique Tarigo during his absence.

While in the United States, Sanguinetti held meetings with U.S. political and economic officials. He criticized the U.S. and EEC protectionist policies because "they obstruct the growth of Latin American countries." In Washington and New York, Sanguinetti met with officials of the World Bank, IMF, and IDB. In the United States the Uruguayan delegation reached an agreement with private banks to refinance $2 billion, which is over 20 percent of the Uruguayan foreign debt.

Sanguinetti's Visit Assessed

PY232032 Paris AFP in Spanish 0422 GMT 23 Jun 86

[Text] Montevideo, 22 Jun (AFP) -- Local political observers said today that during his 5-day visit to the United States, President Julio Sanguinetti succeeded in making Washington adopt a more flexible policy toward Uruguayan exports. Sanguinetti returned to Montevideo on 21 June. In the United States he met with U.S. counterpart, Ronald Reagan and other senior U.S. and financial officials.

The visit, which Sanguinetti himself described as eminently political and which centered on the economic protectionism practiced by developed countries, was designed to obtain more advantageous conditions for Uruguayan products in the face of the commercial war between the United States and Europe, observers said. Before departing for the United States, Sanguinetti said that the United States is more receptive to the proposals of the developing countries than to those of the EEC.

At the end of the visit, Economy and Finance Minister Ricardo Zerbino said the U.S. Government has assigned a permanent quota for imports of Uruguayan cheese and has removed surcharges on manufactured leather products. These measures will benefit Uruguayan producers. He added that the U.S. Government also agreed to study new mechanisms concerning Uruguayan textile products.

President Sanguinetti said that although the position stated by the Uruguayan delegation in Washington and New York will not change the commercial criteria prevailing in the United States, it will contribute to promoting an awareness about the need for the United States to give the support it has promised to other democratic countries. This means, Sanguinetti said, that we should be given a chance to achieve economic growth and social stability in our country.

Regarding the Central American conflict, Sanguinetti said he is against a military solution. According to political sources, Sanguinetti discussed this issue in private meetings. In a statement he made on his return flight to Uruguay, Sanguinetti said there are now new prospects for negotiations in Central America.

Sanguinetti also reiterated his support for the peace efforts of the Contadora Group and reaffirmed his endorsement of the Caraballeda Declaration. Uruguay, Brazil, Argentina, and Peru are members of the Contadora Support Group.

PIT-CNT 17 JUNE GENERAL STRIKE EVALUATED

PY190347 Madrid EFE in Spanish 1427 GMT 18 Jun 86

[Text] Montevideo, 18 Jun (EFE) -- Two people were injured and nine buses damaged during a 24-hour general strike, the third in Uruguay since democracy was reinstated 15 months ago. The strike was called by the main labor union, the Inter-Union Workers Plenum (PIT-CNT). This organization rejected the acts of violence. The union leaders are demanding a 34-percent salary increase and the solution to the conflicts in various unions. The PIT-CNT also rejects the government's economic policies and the recent measures limiting the right to strike.

Interim Labor Minister Renan Rodriguez stated that the paralyzation was 50 percent effective and that the strike "does not benefit the workers."

Oscar Groba, a member of the PIT-CNT Executive Board, stated that the strike was "important" and that "the goals established by the union leadership were fulfilled." Groba rejected the acts of violence saying that "the union militants have nothing to do with violence."

The largest bus company in Montevideo, which operated with 60 percent of its buses, reported that nine buses were attacked with stones and tar bombs. The company's director said that a driver and a woman passenger were injured when they were hit by stones.

The strike was partial in the state offices and total in banks and schools. Newspapers were not published, and the port and airport were closed. Most businesses were open, and union guards were posted in hospitals and clinics.

The International Transmission Labor Union decided to transmit the World Cup and not the official visit of President Julio Maria Sanguinetti to the United States and his meeting with Ronald Reagan. Sanguinetti himself said just before leaving for his trip that the government is not going to negotiate with the union leaders as long as the strike is in force.

BRIEFS

NEW AGRICULTURE UNDER SECRETARY -- Accountant Ricardo Lombardo has been installed as under secretary of the Ministry of Agriculture and Fishing. [Summary] [Montevideo EL DIA in Spanish 11 Jun 86 p 1 PY]

OFFICALS PREPARE FOR NEXT OPEC MEETING

PA210343 Caracas Television Service in Spanish 0000 GMT 21 Jun 86

[Text] Venezuela, with very sincere optimism, is preparing for a new OPEC meeting scheduled to take place in Vienna in the near future. Very intense efforts are being made, and already there is a consensus regarding the position the country should adopt at the international meeting in question.

Even when there are difficult problems, very difficult problems, at this meeting Venezuela will seek the stabilization of the market. To do this, it will estabish a clear and coherent position that sums up the feeling of all the technical and political sectors in the country. This position can be summed up as follows:

1. That the production ceiling established should be the result of the global agreement.

2. That it must protect the interests of all the member-countries.

3. That it must give the international market credibility.

4. That the different nations must be able to fulfill the points established here.

The Venezuelan position was widely discussed today at the Advisory Commitssion meeting, and former Ministers Hugo Perez La Salvia and Humberto Calderon Berti, as well as former Petroven President General (Rafael Alfonso Rovar) were present.

Energy Minister Hernandez Grisanti began by admitting that the OPEC meeting should overcome internal and external problems. For this a united, realistic, and credible front should be formed regarding quotas and production. Another important issue to be discussed at the OPEC is the effort to attain agreements with the producing countries that are not members of the organization. Mexico, in general terms, has agreed with the organization's policies, but important agreements with the UK and Norway, for example, are still pending. Therefore, Norwegian Prime Minister Gro Harlem Brundtland's visit yesterday is a stop forward in this sense.

[Begin Hernandez Grisanti recording] It is necessary for OPEC to arrive at an agreement on the level of production and distribution of quotas that is realistic and that will give credibility to the oil market and the non-opec oil-producing countries. [end recording]

The Advisory Commission's meeting today was held on a note of sincere understanding. Former Energy Minister Humberto Calderon Berti feels that this understanding should always prevail because it is not a strictly political problem and it involves the country's economic future. He said that the perspectives of the next OPEC meeting are not altogether clear. However, what is most important, from his point of view, is a return to the agreements made last December.

[Begin Calderon Berti recording] This meeting is evidence of the fact that when we are willing to put aside useless discussions and work in favor of national interests we can do it in a civilized manner, in which each of us can maintain our positions -- be it the government or the opposition -- but within a sphere of dignity and understanding. [end recording]

The stabilization of prices will also be a vital issue at the meeting. In figures, the organization has a global production of 18 million barrels daily. The international price fluctuates between $12 and $15 per barrel. In Venezuela's case, production is 1,500,000 barrels daily at an average price of $13.50 if we add the exportation of by-products. Perspectives for next year are aimed at Venezuela's producing 1,460,000 barrels daily, at an estimated price of $15 per barrel. This means that our average income is estimated at 8 billion bolivares. It is based upon these figures that the national budget bill has been designed. In any case, all of the efforts made are important to achieve the long awaited global agreement that will prevent ups and downs on the oil market, because in Venezuela's case oil is not only the leading export product, but the basis of our economy.

Doctor Hugo Perez La Salvia, former energy and mines minister said the following:

[Begin Perez La Salvia recording] Of course, hard-line and soft positions can be expected at this OPEC meeting. Venezuela will plan a very important role, a sort of mediator between the two positions, to achieve agreement on quotas and production. [end recording]

BRAZIL BEGINS DELIVERY OF TUCANO MILITARY PLANES

PA210318 Caracas EL UNIVERSAL in Spanish 13 Jun 86 p 1-1

[Text] Sao Paulo, 12 Jun (ANSA) -- In a brief ceremony held this morning at Sao Jose Dos Campos (Sao Paulo), the Brazilian Aeronautics Company began delivery of the 30 Tucano military training planes sold to the Venezuelan Air Force early this year.

[Venezuela], the sixth country to but this kind of Brazilian-made plane, was represented at the ceremony by Air Force General Justo Evaristo Saavedra.

The contract is for $36 million and is expected to be fulfilled by early 1987, having been signed after stiff opposition from the Venezuelan Congress and the competition on the international market of the Swiss-made Pilatus plane was overcome.

POLITICAL PARTIES PROTEST U.S. MILITARY AT BORDER

FL211854 Mexico City NOTIMEX in Spanish 0448 GMT 21 Jun 86

[Text] Ciudad Juarez, 20 Jun (NOTIMEX) -- The U.S. Government's decision to install military camps along the Mexican border to combat drug trafficking and illegal aliens will increase tensions between the two governments.

Representatives from political parties in this city condemned the militarization of the border and said this attitude is a clear act of aggression against Mexico.

Local PRI Assistant Secretary General Oscar Gutierrez said that the United States has the right to protect its territory, nevertheless, the intervention of the Army will increase repression against migrant workers.

Helier Flores, spokesman for the National Action Party (PAN), said this action calls for the Foreign Secretariat's intervention to learn the details of the Reagan Administration's decision to establish military camps at the border.

Leftist leaders in Juarez said repression against illegal aliens is intensifying and the Mexican authorities should call on the United States for an explanation so that the situation does not worsen.

The PRI and opposition Political leaders agreed that drug consumption in the United States is increasing in alarming proportions and it is up to the U.S. Government to combat the problem domestically and not blame other nations for this phenomenon.

They acknowledged that the Mexican Government is carrying out a permanent campaign against drug trafficking and there is no reason for the United States to attack Mexico by establishing military camps.

In reference to the problem of migrant workers, PRI representative Rosa Maria Gonzalez said the measure is disagreeable because when it is convenient for them, the United States opens the border to exploit the Mexican workers. Nevertheless, she continued, after they have mercilessly exploited the workers, they not only discriminate against them, but their own employers report them to the Immigration Service.

64 PERCENT OF EXPORT INCOME USED TO PAY INTEREST

FL202050 Mexico City NOTIMEX in Spanish 1900 GMT 20 Jun 86

[Text] Mexico City, 20 Jun (NOTIMEX) -- The Bank of Mexico has reported that, during the first 3 months of 1986, Mexico used 64 percent of the value of its exports to pay the interest on the foreign debt.

He said that because of the drop in international oil prices, foreign exchange income from oil sales dropped, which reduced Mexico's trade balance by 80 percent in comparison with the same period in 1985. He explained that, in the first quarter of 1986, Mexico's foreign trade balance was favorable by $868.5 million, which is significantly less than in the same period of 1985, when it reached $2,484,400,000.

The Bank of Mexico said that Mexico will require $6 billion to meet its interest payments in 1986 but will have to spend about $600 million in additional interest payments in contracting for new credits.

He said the drop in Mexican foreign trade began in 1985 but worsened in the present year when income from oil exports dropped.

GOVERNMENT ASKS ITALY TO SUPPORT GATT SAFETY CLAUSE

FL191520 Mexico City NOTIMEX in Spanish 0235 GMT 19 Jun 86

[Excerpts] Rome, 18 Jun (NOTIMEX) -- The Mexican Government has asked Italy to support a safety clause for the agricultural and forestry sectors during its GATT negotiations.

Agriculture Secretary Eduardo Pesqueira Olea asked his Italian counterpart Filippo Pandolfi for Italy's support of a GATT amendment stipulating a safeguard for the sector which represents a fundamental basis for the socioeconomic balance and national policy.

Finally, it was announced that the Foreign Secretariat will promote a second meeting of the joint Mexican-Italian commission in September and October in the Federal District during which the SARH [secretariat of agriculture and water resources] will submit drafts of programs for training technicians, coinvestment, and development of agricultural products.

IRAQI EMBASSY TO CLOSE DOWN BY 30 JUNE

FL232324 Mexico City NOTIMEX in Spanish 2118 GMT 23 Jun 86

[Text] Mexico City, 23 Jun (NOTIMEX) -- It was reported here today that the Iraqi Embassy in Mexico will close its doors by the end of June, and its diplomats will be sent to other parts of the world.

This action is recriprocal because Mexico has decided to close its representation in Baghdad in accordance with the austerity policy presented by the current administration reducing the number of foreign representatives.

Iraqi Ambassador Abdul Karim al-Tai [as received] has been in Mexico settling pending affairs even though the decision to close the diplomatic headquarters was received from Baghdad more than a month ago.

The embassy building still flies the Iraqi flag, and officials are still there, but visas are not being processed nor are Mexicans allowed to enter since no business can be carried out there.

It was confirmed that any matter related to Iraq should be forwarded to the Iraqi Embassy in Washington or Iraqi diplomatic headquarters in any West European nation.

PRI SUPPORTS PRESIDENT'S ECONOMIC POLICY

PA220330 Mexico City XEW Television Network in Spanish 1300 GMT 21 Jun 86

[Text] Yesterday the PRI issued a press communique declaring -- in regard to the recent replacement of the finance secretary -- that there must not be a lack of solidarity within President Miguel de la Madrid's Cabinet.

The PRI maintains that in response to the challenges the nation is facing, the president has made clear and firm decisions from the very beginning of his constitutional mandate.

The PRI also pints out that Mexico's economic policy has been realistic and consistent. It underlines that there is no room for hesitation toward the president's decisions.

The PRI communique said that the difficult situation Mexico is facing and the defense of the people's interests demand disipline and loyalty from the president's collaborators. To conclude, the PRI says that this is not the time to protest our personal image, but to fulfill our duties toward Mexico.

PEMEX DENIES LARGE-SCALE LAYOFF OF WORKERS

FL211834 Mexico City NOTIMEX in Spanish 0449 GMT 21 Jun 86

[Excerpt] Mexico City, 21 Jun (NOTIMEX) -- PEMEX personnel director Pedro Cabrera has denied that 25,000 workers and trade union members will be laid off from the state company. That would simply be impossible, he said.

The Pemex official was interviewed at the conclusion of the third meeting between Pemex authorities and leaders from the Revolutionary Trade Union of Mexican Oil Workers (Srtprm). The Mexico City labor and social security secretary also attended the meeting.

Depending on Pemex's work programs, said Cabrera, there could be personal cutbacks totalling 1,000 or 1,500 workers but not a large-scale cutback.

BRIEFS

COCAINE CONFISCATED -- In Puerto Penasco, Sonora, agents of the Mexican attorney general's office confiscated 420 kg of cocaine at noon with an estimated value of more than 100 billion pesos. This load is the largest confiscated so far this year [Summary] [Mexico City XHDF Television Service in Spanish 0300 GMT 21 Jun 86 PA]

NEW SUPREME COURT JUSTICE -- Justice Manuel Villagorda Lozana Tuesday took his seat in the Supreme court of Justice, replacing Jorge Inarritu y Ramirez de Aguilar, who recently retired as head of the court. [Excerpt] [Mexico City THE NEWS in English 18 Jun 86 p 6 PA]

U.S. HOUSE HOLDS HEARINGS ON DRUG TRAFFIC

PA202249 Panama City LA ESTRELLA DE PANAMA in Spanish 20 Jun 86 pp A 1, A 12

[Text] Washington, D.C. -- The House of Representatives' Select Committee on Narcotics Abuse and Control met yesterday to hold a hearing on Panama. James H. Michel, the principal deputy assistant secretary of the Bureau of Inter-American Affairs of the State Department; Jerrold Mark Dion, deputy assistant secretary for international narcotics matters of the State Department; David D. Queen, deputy assistant secretary of the Treasury Department; and Thomas V. Cash, deputy administrative assistant of the Drug Enforcement Administration's (DEA) Operations Division appeared as witnesses.

The House hearing began with a meeting behind closed doors to hear a report from the CIA and the Defense Intelligence Agency.

The hearing was convoked by committee chairman Charles B. Rangel to look into allegations regarding extensive involvement of General Manuel Antonio Noreiga, commander of Panama's Defense Forces, in drug trafficking and money laundering.

Rangel said that "drug use is a serious national crisis and an attack on our national security," and added that "we must look into the large drug production in other nations." "To attack Panama in an unprecedented way while we remain quiet about Peru, Bolivia, and Colombia, countries that are known drug producers and are the largest contributors to drug trafficking through Panama, is merely avoiding the real problem. [quotation marks as published]

The witnesses who appeared at the House hearing were questioned about Panama's role as a nation of drug transit and other activities, as well about the extent of the cooperation between the United States and Panama in the control and eradication of drugs. In addition, they were asked about the allegations that appeared in articles published by THE NEW YORK TIMES.

"I want to know," Rangel said, "what we plan to do about this situation and why we have chosen to focus the problem on Gen Noriega's activities."

Cash told the committee that progress has been made in the past few years in various aspects of the drug situation in Panama and said that he appreciated this opportunity to discuss this and other significant matters regarding drugs in Panama.

Cash made a brief recollection of the work done by DEA, an organization under the U.S. Justice Department, "which is responsible for the investigation and preparation" of trials against the biggest violators of substances controlled by law in the United States, and at the international level it works in coordination with a national intelligence system against drug trafficking with the cooperation of federal, state, and foreign officials.

During his participation, Thomas V. Cash described the country, saying that Panama, as the "crossroads of the world," has developed an economy based on international trade and marketing, centered on the Canal, particularly in the cities of Panama and Colon.

According to the U.S. official, these are the four aspects that have been considered regarding Panama's role in international drug trafficking:

1. The use of Panamanian banks for laundering money from drug traffickers' profits. Most of these traffickers are from third countries.

2. The use of Panama as a transit country by drug traffickers from South America to the United States.

3. The use of Panama as a transit country for materials for the processing of drugs, particularly ether, which is used in the production of cocaine.

4. The local cultivation of marijuana.

Mr Cash also said that in Panama "considerable resistance exists" to the elimination of banking secrecy laws, even when it comes to coping with money laundering from drug traffic.

Panama recently participated in the closing of a bank whose involvement in money laundering was confirmed: the First Inter-American Bank. Its principal shareholder, Gilberto Rodriguez Orjuela, a Colombian, and Jorge Ochoa [not further identified] are under detention in Spain.

Action was taken against the bank by Panamanian authorities who invoked Cabinet decree No 283 of 1970, according to which banks, their directors, officials, and employees "must maintain a good reputation for the integrity of their operations."

The First Inter-American Bank is under the control of the Panamanian Banking Commission. Cash said that this intervention "represents the most important action that Panamanian authorities have taken against money laundering."

Cash explained to the committee: In addition, Panama is a transfer site for chemical products for the production of drugs from the United States and Europe to South America. On several occasions during the past few years and at the request of the Drug Enforcement Agency (DEA), Panamanian authorities have seized and destroyed large shipments of chemical materials for the production of drugs. Recently two shipments totaling 40 tons of acetone were confiscated, thus demonstrating Panama's willingness to intercept such materials.

Cash indicated that Panama's climate and terrain provide an adequate environment for the cultivation of marijuana. The main location of such plantations is Isla de las Perlas in the Gulf of Panama.

In September 1985 the Panamanian Defense Forces, assisted by the U.S. Department of State's Bureau for International Narcotics Matters, initiated a comprehensive effort to eradicate marijuana plantations through spraying. As a result of this operation, 210 hectares planted with marijuana were destroyed in 5 days of spraying.

"The complete eradication of the marijuana planted is thought possible due to the relatively small size of the plantations."

"The Panamanian Government is aware that the country is increasingly becoming a center for the illegal drug traffic from South America and increasing money laundering from this drug traffic."

"The Panamanian Government wants to create an image of Panama as a safe, respectable place for international trade and investment. Because the drug traffic has marred this image, Panamanian officials strongly resist the drug traffic and are eager to cooperate in earnest with U.S. authorities to stop it."

DELVALLE OPTIMISTIC ABOUT ECONOMIC FUTURE

PA232129 Panama City LA REPUBLICA DOMINICAL in Spanish 22 Jun 86 p 16 A

[Speech by President Eric Arturo Delvalle at a B'nai B'rith Society dinner in his honor in Panama City on 16 June]

[Excerpts] Barely 1 year ago some compatriots felt that our country was heading toward a future riddled with uncertainties. We were faced with a difficult situation that was impossible to stall.

We have had to take corrective measures in an atmosphere of opposition to and misunderstanding of not only the government but also the very essence and raison d'etre of the institutions that constitute it. We have had to face all kinds of difficulties, not to mention ill will. However, fully aware of our responsibility and convinced that we are right, we took measures indispensible to obtain a reorganization of our economy and finances. We will see the results in the long term, placing us in a relatively advantageous position in the face of the unavoidable foreign competition.

Our government is concluding the current phase of negotiations on our foreign debt and beginning to implement a program of economic reforms, the effects of which will be felt in the long term. The new Industrial Law, adjustments to the Labor Code, and the new Agricultural and Livestock Law, which are currently in force, are aimed at improving our capabilities to act in the future, providing stability to the rules of the game and developing a spirit of competition. In this way, we increase our productivity and become better prepared to compete in international markets, the importance and necessity of which we would be reckless to eschew.

Fortunately, in the past year new conditions have arisen. We have taken advantage of them and will continue to do so even further.

In addition to fostering a positive outlook on our economy, thanks to the government's action we must mention four favorable factors that prompt us to feel optimistic regarding the short- and long-term future:

1. The major drop in the price of oil.

2. The three-point drop in interest rates in 1 year.

3. The recovery of certain export activities, such as the Panama Canal, the Colon Free Zone, and of expenditures by the U.S. Army in Panama.

4. The real possibility of developing assembly plants in our country, in view of the new regulation announced by the United States allowing exports outside quotas of clothing made in the Caribbean basin, so long as U.S. textiles are used.

In addition to other factors, the things I have just mentioned are elements and factors that are operating not to give a more favorable economic outlook for our country.

Therefore, as in the year that just ended, specific results can be seen. After 2 years of depression without any growth, in 1985 our GNP rose by 3.3 percent and the per capita national product rose by approximately 1.2 percent. This year, the behavior of the economy points to a similar tendency.

We must acknowledge that the banana company strike had a negative impact on the production and exportation of that fruit, and, therefore, on the agricultural and livestock sector as a whole.

However, in that same sector the exports of nontraditional products are offering promising possibilities. In the construction sector, there has been a reactivation, and this sector will continue to grow at least in the short- and medium-term.

We sincerely believe that Panama's economic outlook is reasonably positive and encouraging. However, to turn the outlook into something more than a wish or an economic projection, we must have and promote a climate of peace, tranquillity, and trust in ourselves and our democratic institutions, which are the only ways for true coexistence to prevail.

PRD COMMITTEE STATEMENT ON CURRENT SITUATION

PA230136 Panama City LA REPUBLICA in Spanish 20 Jun 86 p 2

[Manifesto issued by the Political Committee of the Democratic Revolutionary Party, PRD, to the country "in the face of coupist sedition;" no date given -- upper case passages as published]

[Text] The PRD has repeatedly denounced nationally and internationally that influential U.S. rightist sectors and conservative U.S. officials have engaged and still engage in activities of intense pressure, intrigue, threats, and political and economic destabilization tactics against Panama.

This situation is not new. On the contrary, it has a lengthy historic background. There have been actions against national interests ever since the beginning of this century. The situation became more vivid though, at the beginning of the 1970's when the founder of our party, General Omar Torrijos Herrera, at the head of our armed institution and with the support of broad democratic, progressive, and professional sectors, divided to wage a just national liberation struggle to put an end to the shameful and humiliating U.S. colonial presence in the fatherland and to end it not only in the judicial, police, educational, and commercial aspects but also in the most important aspect, in the military aspect, thus bringing to an end the hegemonic and interventionist U.S. military presence in the domestic affairs of our country and the rest of the American continent.

The fact that the most important programs of social, cultural, and economic interest were carried out; that laws that have benefitted the national majorities have been approved; that there is an independent nonaligned and Third World-like foreign policy; and that an end was put to concepts that had turned our Armed Forces into an unofficial tool for continuously repressing the people to guarantee to the governing oligarchy that it would be able to enjoy its privileges and remain in power, this fact could yield to General Torrijos, to the high-ranking officers who accompanied him -- one of which was General Manuel Antonio Noriega -- and to the civilian political forces who accompanied them in this process of undeniable revolutionary changes, nothing but hatred and distrust from both the local politicians displaced from power and from their allies in their allies in the most reactionary and backward circles of U.S. society.

No Panamanian ignores the fact that only 14 years remain before the decolonization program established in the Torrijos-Carter Treaties is completed. Once this happens, there will be perfect sovereignty over the national territory; the country's main resource -- the interoceanic channel -- will be recovered, for the benefit of all the people; and important infrastructure elements for economic development will also be recovered. We do not ignore either that right now the Central American people are in a state of turmoil and have the will to wage a revolutionary struggle to secure national independence.

As a result of these two facts, some U.S. political sectors and officials including Senator Jesse Helms -- who is the one most openly committed -- are continuously promoting a policy that calls for noncompliance with the 1977 treaty and for all sorts of economic and political pressure that could lead to U.S. military permanence in Panama beyond the year 2000 to be able to continue using the U.S. military bases in our territory as centers for training and for intervening in the domestic affairs of the Latin American -- especially the Central American -- people.

The charges that a very small group of Panamanians and North Americans, who have neither moral nor political authority, have made, by means of a U.S. daily, against Gen Noriega represent an infamous slander of the type that was used against Gen Torrijos in the past. Our party is aware that this abusive campaign is aimed not only at discrediting the most important leader of the Panamanisn armed institution but also at the entire nation, including the government of His Excellency President Eric Arturo Delvalle. The campaign is also aimed at isolating our party and country from democratic leaders, governments, and political parties who traditionally have been allics of Panama because of the progressive national and international causes that our revolutionary process and the PRD have defended.

This is nothing but the invoice that imperialism has prepared because Panama defends a peaceful political way out of the Central American crisis and not the way sought by those who want military intervention, war, destruction and the spilling of blood.

The PRD has stated and reasserts that there is a pledge between certain national opposition political groups and a handful of frustrated and resentful persons who, without the slightest shame and with the most antipatriotic attitudes possible, have joined the U.S. sectors carrying out a slanderous campaign against Panama, General NORIEGA, and the Defense Forces; once their goal of taking over power is attained, they will agree to review the Torrijos-Carter Treaties to allow the United States to maintain its military presence in our national territory after 31 December 1999. That is not all. They have also pledged that Panama will abandon its participation in the Contadora Group and, consequently, instead of advocating a negotiated and peaceful solution in the Central American isthmus, it will seek an armed solution plus an intervention in Nicaragua and El Salvador. That is why they are now brazenly urging the midlevel officers in the Defense Forces to break their disciplined behavior and rebel against their commanding officers. They seemed to have forgotten the recent patriotic declaration of the 15th seminar of lieutenants, which warned about the attacks against the armed corps' current commander to politically and militarily discredit the institution that will have the responsibility of defending the canal in the year 2000.

Lately, the PRD warns that in these times of danger, all the popular, progressive, and democratic sectors that defend our independence, sovereignty, and peace must strengthen the initiative of forming a national front against sedition, treason, and warmongering violence.

The front must be comprised of national wills that pledge to carry out an independent political and economic development, which guarantees the decolonization process stated in the Torrijos-Carter Treaties. All the Panamanian patriots must understand that the current political confrontation cannot and should not take place between a reactionary sector of the U.S. society and top-ranking officers in our Defense Forces; instead, we must become an instrument which is capable of turning this confrontation -- which is nothing but the opportunistic verbal challenge of an individual or group -- into a struggle waged by our great national majorities to defend their dignity, independence, and liberation.

The PRD does not ignore the feelings that have grown up among the Panamanian youths and people -- given the pressures and economic, political, and military blackmail which is being exerted on the country; and given that international financial aid has not been received as pledged -- that we request that the Canal's installations and the territorial areas, which are still subject to limitations, should revert ahead of time in 1990. This viewpoint has gained support within our own party, and it was confirmed during the meeting where this declaration was drafted.

The PRD's commission urges all its members to strengthen their practical and ideological support, denouncing the seditious and conniving plan to every man and woman in the country, which is currently being carried out against the revolutionary process, the national government, Commander MANUEL ANTONIO NORIEGA, the Defense Forces, and our party. Also, it declares all its members on a state of alert and awaiting general mobilization that will be ordered by the PRD directorate in due time.

The sedition and the connivers WILL NOT PASS.

The unity between the people and its military forces is indestructible.

General MANUEL ANTONIO NORIEGA, the PRD does not surrender or let down its guard.

They will find us standing or dead, but never on our knees. OMAR TORRIJOIS: YOUR HAWKS ARE PRESENT HERE.

Issued in Panama City, on 18 June 1986.

PRD PRESIDENT SCORES OPPOSITION, DEFENDS NORIEGA

PA221819 Panama City LA REPUBLICA in Spanish 20 Jun 86 p 24

[Text] "Our country does not function to the beat of THE NEW YORK TIMES or to the rhythm of Senator Helms. This is not the Philippines. Here there are people used to fighting imperialism, who do not fear it and who do not kneel before it," Dr Romulo Escobar Bethancourt said yesterday in a forceful speech delivered during the Torrijist Consolidation Dinner at the Atlapa Convention Center.

Addressing an enthusiastic audience of some 2,000 people, Escobar Bethancourt, who is president of the Democratic Revolutionary Party [PRD], harshly criticized those "seeking to reach power to the beat of U.S. Infantry bugles," to which end they "walk on their knees and touch their foreheads to the ground because they are characterized by cowardice and weakness."

Escobar Bethancourt said that those opposition politicians are allied with the most reactionary elements of the U.S. political spectrum, which are also willing to do anything to "rid themselves of the obligation to remove their civilian and military personnel from our nation" in fulfillment of the Torrijos-Carter Treaties. He added that the same is being done with the Mexican Government because they want to force both governments to withdraw from the Contadora peace movement, which has been the only obstacle to an armed solution of the Central American conflict.

The PRD president also said that the ties between the Defense Forces and the PRD are both indissoluble and indestructible and that the integrity of that institution, like that of General Manuel Antonio Noriega, will be protected, not only by the members of the armed institute, but also by their civilian brothers, the members of the PRD, who are the heirs of the Torrijist ideals.

PRD ADMITTED AS 'CONSULTATIVE MEMBER' IN SI

PA201521 Panama City Televisora Nacional in Spanish 0000 GMT 20 Jun 86

[Text] The Democratic Revolutionary Party [PRD] was admitted as a consultative member in the Socialist International [SI] movement during that organization's 17th congress in Lima, Peru. The SI brings together 82 parties from around the world that follow the social democratic doctrine.

The PRD's admission into the SI came by acclaim before the congress, headed by German Nobel Laureate Willy Brandt, former FRG chancellor.

The Panamanian delegation to the congress, which is headed by Carlos Ozores, expressed satisfaction over the PRD's admission as a consultative member of the SI, observing that the move is a recognition of the Torrijist ideals and the PRD's path on the part of the most prestigious group of the international political community.

FORMER PRESIDENT ARIAS SUPPORTS 1984 VOTE RECOUNT

PA232156 Panama City LA PRENSA in Spanish 23 Jun 86 p 1-a

[By Franklin Bosquez D'Giovanni]

[Text] The leader of the Authentic Panamenist Party [PPA], Dr Arnulfo Arias Madrid, affirmed yesterday that as soon as his presidential victory is recognized once the votes issued in May 1984 are recounted, he will dismantle the repressive organization of the National Guard's [as published] G-2.

The three-time president of the Republic was interviewed in his Panama City home in the area of Carrasquilla, where he referred to the reports recently published by a U.S. newspaper, THE NEW YORK TIMES, in which several U.S. officials are cited as saying there was an "electoral fraud" in favor of the government's candidate that was sponsored by the Defense Forces of Panama (FDP), and specifically by its commander in chief, General Manuel Antonio Noriega.

Arias Madrid said that it is not strange that now, more than 2 years later, is when the U.S. press begins to refer to the fraud. "Conditions throughout the world, and even very close to us, are changing very rapidly, and naturally they (the Americans) are very worried about that.

The fact is that they are now convinced that the parties of the Democratic Opposition Alliance (ADO) have most of the votes and that it is impossible to accept that the elections were lost only because Gen Noriega so wanted it."

The politician, who is in his eighties, feels that the reports now appearing in the press of the United States and of other parts of the world are, in practice, a rejection to the military government of Panama. "I think this is absolutely true. I believe the military hierarchy's days are numbered. I brought up the issue of drugs 3 years ago in Colon, during the electoral campaign. Nobody listened to me then, and now you see the results: Drugs are spreading throughout the United States and the world."

The politician added: "The government is a species in full agony."

He disclosed that during the last few days he has been consulted "by many people," including from abroad, particularly from the United States.

Referring to the "triumph" of Dr Nicolas Ardito Barletta, whom the U.S. Government recognized 2 years ago, Arias Madrid said: "I suppose the White House and Mr George Shultz felt like installing that clown."

The president of the opposition -- which garnered most of the votes during the past elections -- said he is willing to make the last sacrifices of his life to place the country on a truly democratic path. He reiterated that if it is necessary "to place one's neck in the guillotine" for a better country, he "will gladly do so. And if they want me to talk to the devil, I will talk to the devil in order to improve this situation."

When asked if he would prefer that the 1989 elections be advanced rather than having the 1984 votes recounted to reach the Presidency of the Republic, Arias Madrid said that "I do not want to be there as a result of a coup d'etat; I want to prove to the entire world that I have the votes."

He added that he is in favor of recounting the votes that are still included in the documents of the results of the 1984 elections.

Concerning the economic situation, the three-time president of the Republic said that the formula for this situation is "difficult and easy." As soon as there is trust and security in a government, everyone is willing to help, except for "certain individuals who are, naturally, my opponents."

The leader, who is in his eighties, observed that "Panama is sufficiently rich to be able to pay our bill; and we are going to pay...we are not scoundrels. I do not know if we will be able to pay in 10 or 100 years, but we will pay." The politician also reported that he has already appointed a commission to study all points of views.

When asked about the power Gen Manuel Antonio Noriega still holds throughout the country, Arias Madrid answered that "nobody is strong in this world. God is the strongest, he is the one who determines what will happen. You see how the great powers crumble. He (Noriega) is already morally dead."

The charismatic politician said that within the national police, which he continues to call by this name because it does not have "enough morals" to have soldiers, there are "some good, honest, and serious people who want to work for the country."

Arias Madrid said that he told former U.S. Ambassador Everett Briggs that Panama does not need 15,000 policemen, because some 7,000 is all we need.

As soon as his electoral victory is recognized, one of the first actions Arias Madrid will take will be that of "dismantling" and "breaking up" the National Guard's G-2, which some call the state security and other describe as the "repressive apparatus" of the regime. "We must give the people confidence, because we are living in a sovereign country. The people have a right to speak, and the press has a right to report."

In concluding, LA PRENSA asked Arias Madrid when the change of regime would take place, and the Panamenist leader answered: "I am not God."

RADIO MUNDIAL OWNER ANNOUNCES RENEWED BROADCASTS

PA202231 Panama City LA PRENSA in Spanish 20 Jun 86 p 16-A

[By Lisette Carrasco]

[Text] Carlos Ivan Zuniga, Jr, owner of the Radio Mundial radio station, has told LA PRENSA that the station will start broadcasting on its AM frequency from its new studios in Pedregal on Monday.

Zuniga explained that in a note presented on 18 June to Rodolfo Chiari De Leon, minister of government and justice, he says that: "Until a request made to you, on the 18th [month not specified] to be assigned the frequency 88.1 MHZ is resolved, I wish to notify you that I have moved the Radio Mundial studios to Pedregal Corregimiento, where the transmitter operates at longitude 79 degrees, 26 minutes, and 04 seconds; and latitude 09 degrees, 03 minutes, 43 seconds."

The document states that "at this site we shall restart our radio broadcasts to comply with our advertising commitments as well as with legal requirements."

Radio Mundial's studios are located at No 12, 2d Street, 2d Avenue, Pedregal.

Carlos Ivan Zuniga said that these broadcasts will be made from Pedregal, following instructions from the Communications Media Directorate to the effect that the owners of this broadcast station could transmit on the AM frequency 810 KHZ.

Zuniga added that in this way, Radio Mundial has complied with the law by announcing the change of studios to Pedregal, in line with the [ministry's] resolution.

The community is waiting expectantly to see the ministry's reaction; that is, whether it will permit Radio Mundial's broadcasts, because the closure was due, according to the communications Media Directorate, to the fact that this radio station was broadcasting on an unassigned FM frequency.

Radio Mundial was closed on 22 May by order of the Government and Justice Ministry. The station had become the mouthpiece of opposition sectors, which are against the present government.

RADIO 10 IN HERRERA CLOSED BY MINISTRY

PA200345 Panama City LA PRENSA in Spanish 19 Jun 86 p 24 A

[By Rogelio Herrera and Antonia Edith Gutierrez]

[Text] Yesterday at 7840 Mario Bermudez, telecommunications adviser of the Government and Justice Ministry, closed the operations of Radio 10, central area, in Guarare district, radio electric frequency 1,100 KHZ, with studios in the city of Chitre.

According to resolution 25 of April 1986, the technical advisers section of the Government and Justice Ministry performed a technical inspection of the radio station installations and confirmed that the broadcasts on frequency 1,100 KHZ AM has been suspended "beyond that allowed by the law." Further, it was transferred without the approval of this government office.

However, last night, when contacted by LA PRENSA on the closing of this radio station, Dr Carlos Ivan Zuniga said that according to reports from Chitre, the authorities had closed not only Radio 10 central area, which was operating on the 1,100 frequency, as authorized in the resolution; they also closed Radio 10, which was operating on the 103.0 FM frequency. The cancellation of the 103.0 FM frequency was not authorized in any ministry resolution. Zuniga said that the two stations were operating at the time they were closed.

Bermudez said: "We have come to suspend the use of the frequency 1,100 by Radio 10, central provinces, because it was off the air for a long time and never reported to the ministry the reasons why. The ministry, complying with the established Decree 155 proceeded to suspend the use of the frequency. It had not been used for more than 2 years: that is what caused the cancellation."

On 18 June 1986, Dr Carlos Ivan Zuniga, presented an appeal to this decision through a proxy because according to the Government and Justice Ministry the appellant does not have the legal representation of the concessionaire company, Bermudez said.

However, Zuniga said that the ministry has now presented Resolution No 28 of 25 April 1986 canceling the 1,100 frequency. However Mrs Garcia de Paredes [not further identified] was notified on 11 June 1986, of the strange resolution of 25 April and the ministry is aware that the rights being affected are those of Carlos Ivan Zuniga, Jr, who, under authorization of the ministry had been operating those radio stations under the firm name of Radio 10 Central Area.

That authorization had been approved by Minister Chiari on 2 August 1984 Resolution No 877, Minister Chiari continues with his political persecution policy, said Dr Carlos Ivan Zuniga.

REPRESENTATIVES REVIEW CONTADORA DOCUMENT

PA240012 Panama City ACAN in Spanish 2330 GMT 23 Jun 86

[By Ricardo Chacon]

[Text] San Salvador, 23 Jun (ACAN-EFE) -- Central American diplomatic representatives, with the exception of Nicaragua, jointly analyzed today the Contadora "message" which was delivered by the peace group in Panama City on 7 June. "The Central American plenipotentiary representatives have gathered here, with the exception of Nicaragua, to begin discussions about the results obtained from the last foreign ministers' meeting in Panama City," Salvadoran Deputy Foreign Minister Ricardo Acevedo stated during a news conference prior to the meeting. "We have gathered here to exchange viewpoints and determine what things we agree on, with the intention of preparing a strategy to be followed given the new situation which has arisen," the Salvadoran politician said. According to the information, the group of "technicians" has already met in Honduras and Costa Rica.

Deputy Foreign Minister Acevedo, who heads the Salvadoran delegation, asserted that Nicaragua is not attending because it is a "quick meeting," and "it is better if only the Central American countries which share viewpoints meet here." "Certain countries share more political viewpoints concerning what should be included in a document to guarantee democracy and security," he stressed. Acevedo added that "these four countries, which have authentic pluralist democracies in Central America, have sought each other out with the intention of discussing our common viewpoints so that these may allow us to establish common viewpoints in the negotiations, and thus advance more quickly."

The work meeting, which began today and will conclude tomorrow, Tuesday, 24 June, will also include Alfonso Alonso Lima from Guatemala; Jorge Hernandez Alcerro from Honduras; and Alvaro Antillon from Costa Rica. The Central American "plenipotentiary representatives" will try to analyze, according to the reports, "the policies to be developed by the Central American countries, except Nicaragua."

Acevedo revealed that the program includes topics such as security in Central America, military balance, and joint maneuvers in the area, which are some of the topics still pending before the Contadora Group, which is drafting the peace document. El Salvador said last week, through Foreign Minister Adolfo Castillo Claramount, that Contadora's tutelage has concluded and the Central American countries must now continue the work without mediators. The Salvadoran deputy foreign minister said today: "We must remember that Contadora is simply a mediation effort and cannot present any proposal so that we may accept or reject it." The Central Americans "are the ones who should guide the peace efforts in the zone, and that is why we have gathered here," he emphasized. "It is Nicaragua's fault that Contadora sometimes forgot the strict and correct procedure to be followed for the approval of the agreements," the Salvadoran deputy foreign minister said.

The Contadora Group, comprised of Panama, Venezuela, Colombia, and Mexico, has been exerting itself since 1983 to attain the signature of a peace document or agreement to settle 6 years of conflicts in Central America. The peace group announced last 6 June in Panama City that the formal negotiations had concluded and the only thing pending was certain details in the draft document and its signature. The Central American representatives pledged to reveal the results of their talks once they conclude.

EL SALVADOR

FMLN CLAIMS MORE CASUALTIES IN GARRISON ATTACK

PA232202 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 22 Jun 86

[Text] It was confirmed from San Miguel that the number of casualties inflicted during the occupation of the 3d Brigade garrison has increased because delayed action mines which were placed inside the garrison went off and inflicted more casualties. In other words, more than 253 casualties have been inflicted in the "Commander Yaneth Samour, on the March to Victory We Avenge Your Blood" operation.

In fact, remarks by Defensive [as heard] Minister Vides Casanova, who said that the number of people killed increased, confirms the reports received by Radio Venceremos about an increase in the number of the dead and wounded due to delayed action mines which were placed inside the garrison installations during the 4 hours of occupation there by the FMLN in order to catch the enemy by surprise and inflict more casualties on the enemy after our forces retreated from the garrison. This confirms that the number of casualties has increased. There were more than 253 casualties. This is the result of this strategic blow against one of the main and best protected enemy garrisons.

GUATEMALA

QUINONEZ ON C.A. CONTADORA MEETING, OPTIONS

PA240341 Panama City ACAN in Spanish 0300 GMT 24 Jun 86

[Text] Guatemala City, 23 Jun (ACAN-EFE) -- Guatemalan Foreign Minister Mario Quinonez Amezquita asserted today that his government seeks "a simple exchange of views" in the meeting being held with representatives from Honduras, Costa Rica, and El Salvador to analyze the Contadora Document. The Central American countries' plenipotentiary representatives, with the exception of Nicaragua, met today in El Salvador to seek "common viewpoints" concerning the document presented by the peace group last 7 June in Panama City.

According to Quinonez Amezquita: The mission which we sent "is not a high-level mission because we consider that it is only an exchange of views with certain Central American countries, because Nicaragua is not participating." The foreign minister clearly stated that Guatemala will also "have the opportunity to exchange views with Nicaragua when the delegation comes for the vice presidential meeting next Wednesday."

The five Central American countries' deputy foreign ministers will meet in Guatemala City next 25 June to analyze the organization of a regional parliament, the creation of which was approved in May by the presidents of the area. The Guatemalan foreign minister said that the new draft Contadora Document "shows different positions and viewpoints, so we want to collaborate in the search for solutions."

The Guatemalan foreign minister added: "Consequently, we will now exchange views with Honduras, Costa Rica, and El Salvador; then we will do so with Nicaragua." "The factorization analysis which Nicaragua is currently carrying out is an interesting foundation, because the control of weapons is a difficult problem and has precluded the achievement of a consensus." Nicaragua proposed on Saturday the creation of an inventory of the "weapons which really exist in the region and could be reduced or cancelled."

Nicaraguan Foreign Minister Miguel D'Escoto sent the foreign ministers of Contadora and Support Group (Peru, Brazil, Uruguay, and Argentina) a list of 14 offensive weapons, stating that they are willing to present an inventory of these weapons within the framework of the peace negotiations. "If the factorization being prepared by Nicaragua is effective, objective, and nonsubjective, it will be easier to achieve progress in the negotiations and reach an agreement," Quinonez Amezquita said. According to the Guatemalan foreign minister: "No changes have taken place yet concerning the Central American countries' opposed positions, particularly concerning the verification and control of weapons."

OFFICIAL VIEWS C.A. TRADE DIFFICULTIES, DEBTS

PA210021 Guatemala City PRENSA LIBRE in Spanish 20 Jun 86 p 9

[Text] Deputy Economic Integration Minister Eduardo Alfonso Estrada Galvez confirmed yesterday that trade with Honduras is paralyzed because the bilateral treaty has not been renewed. He added that Costa Rica has not closed its border to Guatemalan products. The official reported that talks with the Honduran authorities will be renewed in July, with the intention of seeking new commercial transactions within the framework of a treaty. He added that trade is possible, but Honduras is applying tariffs assigned to third countries to our products, while Guatemala is charging the tariffs agreed upon for countries in the area. Estrada added that Honduras owes our country $19 million due to the balance of trade.

Referring to trade with Costa Rica, the deputy economic integration minister stated that "it is being carried out normally, but problems might arise if we do not talk with that nation's authorities, because they need information about the measures adopted here according to the economic reorganization plan." He emphasized that "Guatemala has temporarily withdrawn from the clearing house, and this worries the Costa Ricans." They also want to establish commercial measures because the balance has proven unfavorble for them during the last months.

Guatemala owes Costa Rica $55 million plus interest. Estrada said he will talk with his Costa Rican counterpart next week to discuss the new systems which have been put into operation here. In conclusion, the deputy economic integration minister revealed that El Salvador owes Guatemala $60 million, and Nicaragua owes Guatemala approximately $200 million.

BRIEFS

FOREIGN EXCHANGE, REVENUE FIGURES -- Dr Federico Linares, president of the Central Bank of Guatemala, has reported that the bank currently has more than $200 million available in foreign exchange. He also said that an average $6 million in revenues from exports is registered per day. He said a total of $114 million in revenues has been reported from 6-18 June. [Excerpts] [Guatemala City Cadena de Emisoras Unidas in Spanish 1230 GMT 21 Jun 86 PA]

HONDURAS

GOVERNMENT DENIES AGREEMENT ON DISPUTED BORDER

PA231651 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 23 Jun 86

[Foreign Ministry note to Rodolfo Castillo Claramount, vice president and foreign minister of El Salvador, on 23 June]

[Text] Your Excellency, Rodolfo Antonio Castillo Claramount, vice president of the republic and foreign minister of El Salvador.

Dear Minister: The Honduran press has reveived an AP dispatch datelined San Salvador in which Colonel Mauricio Ernesto Vargas, military chief of the Department of Moranzan, Republic of El Salvador, said that an agreement has been reached with the Army and Government of Honduras to allow Salvadoran troops to enter the so-called guerrilla pockets to search for FMLN rebels. It also adds: The Army and Government of Honduras have allowed the Salvadoran Army to enter Honduras, but it has not accepted its permanence there. It also states: We can conduct fast operations, but we cannot remain inside Honduran territory.

The Honduran Government emphatically and resoundingly rejects the statements made by Col Vargas. Just the thought of such an agreement is farfetched. The Honduran Government abides by the General Peace Treaty signed by both countries in Lima in 1980 in the sense that the status quo of 1969 must be maintained. The solution of our unsolved border problems is the only option to strengthen peace, democracy, and the development of both countries. Consequently, not abiding by the General Peace Treaty a few months before the judicial process begins at The Hague International Court would be an action that conflicts with the national interests, and the Honduran Government is not willing to do this. As long as the border problem is not solved, we must maintain the 1969 status quo. My government rejects statements made by Colonel Vargas.

My respects to the vice president and foreign minister.

[Signed] Carlos Lopez Contreras, Honduran foreign minister.

SPECIAL ENVOY EXPLAINS OPPOSITION TO CONTADORA

PA240430 Panama City ACAN in Spanish 0415 GMT 24 Jun 86

[Text] San Salvador, 23 Jun (ACAN-EFE) -- Honduran Deputy Foreign Minister Jorge Hernandez Alcerro said today that his country's position "is not reflected in the key section of the Contadora Document." He made the statement during a meeting of the Central American countries' representatives taking place here. Diplomatic representatives of Central America, except Nicaragua, today jointly examined the Contadora (Mexico, Colombia, Venezuela, and Panama) "message" issued by the peace-seeking group on 7 June in Panama.

"The limits and reduction of armaments, the regulation of military maneuvers, and the statute on verification and control of the commitments are not addressed to Honduras' satisfaction," the Honduran envoy said. These three points, Hernandez said, do not reflect the Honduran position, and that is why we cannot sign the document proposed by the Contadora Group.

Before the meeting Hernandez said they had proposed a regulation on military maneuvers, and in this case, "Contadora is proposing a proscription that would enter into effect as soon as the peace document is endorsed by the five Central American countries." However, in the case of arms reduction and the statutes on verification, Hernandez explained, these would be discussed after the signing of the regional peace treaty.

Honduras, the envoy stressed, cannot sign a document in which points that are essential to its security are not clear. The meeting of plenipotentiary representatives will evaluate and outline the steps that Guatemala, Honduras, Costa Rica, and El Salvador will follow.

NICARAGUA

ORTEGA STATES POSITION ON CONTADORA PROPOSAL

PA231615 Managua International Service in Spanish 1338 GMT 23 Jun 86

[Statement by President Daniel Ortega during a "Face the People" meeting with workers at the Valle de Sabaco Agroindustrial Project on 21 June -- recorded]

[Text] We are unveiling Nicaragua's response to the proposal which the Contadora Group made to the Central American countries on 7 June. As you know, on 7 June the Contadora Group submitted a document to the Central American countries, that is, a draft peace document, together with a letter forwarding the proposal which contained a number of explanations on the proposal. In addition, the Contadora Group publicly issued a communique. From 7 June to date, we have learned of the reactions of some Central American governments. Chiefly, we have learned of the U.S. Government reaction. The United States rejected the Contadora Group's peace proposal.

As a matter of fact, some Central American countries have practically suggested that Contadora should be dissolved. This reaction can be explained because the U.S. Government has clearly opposed the Contadora Group's peace effort. Therefore, some Central American governments which respond to pressures from the U.S. Government have also spoken out against the Contadora Group's peace effort.

Truly, in the face of the Contadora Group's peace proposals, the Central American people's need of peace, and the Nicaraguan poeple's, there are two reactions: the negative and the positive reactions. There are two contenders, to put it that way, in the struggle for peace: the U.S. Goverment, bent on continuing its terrorist policy in Central America against the Nicaraguan people, and the Latin American governments, bent on promoting a peaceful solution that implies a respect for international law, nonaggression, and a halt to terrorist activities.

The United States has been responding negatively to this peace proposal from Contadora. Nicaragua has, once again, said that it favors the peace proposal made by Contadora. In other words, our response to the proposal made by Contadora is positive.

In the letter that we are making public today we ratified our confidence in Contadora's peace efforts. We feel that the only instrument to achieve peace at this time is Contadora's peace proposal. Therefore, we must complete the negotiating process so that, at the same time, efforts can be made to stop the aggression and create security conditions for the Central American states and Nicaragua in order for them to sign the peace act just as it was proposed by Contadora.

In its review of the peace act, Contadora clearly said that to sign the document there must be security conditions for all Central American states. Then we can say that Nicaragua's response is positive. In fact, in the letter that Contadora sent to all the Central American governments, it urged them to take certain steps in favor of the negotiating process and proposd that each Central American government draft a list of the weapons which they feel can be negotiated.

Nicaragua has defended the right that the Nicaraguan people have to defend themselves. It continues to defend this right. This is a basic principle that Nicaragua defends and will continue to defend always.

However, Nicaragua proposed a weapons inventory in Panama on 27 May. This inventory could be negotiated among the Central American states. It wasn't a negotiation of weapons for Nicaragua only, but for all Central American states. It is a list of 14 weapons, war instruments which, in the case of Nicaragua, have been used for the country's defense. They have no offensive nature. However, in order to help the negotiating process, Nicaragua proposed that this list of 14 weapons, because of its characteristics, be classified as offensive weaponry.

On that list we mentioned all kinds of planes, helicopters, and tanks. We mentioned military airports, military maneuvers, military bases, military advisers, and also ships used for military purposes. It was a total of 14 [items]. We included artillery with a certain minimum of millimeters.

In other words, we propose that the Central American governments discuss this type of weapons in the Central American region. These weapons can be characterized as offensive. These are weapons which could be eventually used as offensive weapons. However, we said that the other weapons, those under the limit of the millimiters established, should not be negotiated. We said that each country, according to its needs, will determine its weapons and military resources.

Therefore, following up on the proposal we made on 27 June [date as heard], in our letter we have now told Contadora that Nicaragua has its inventory of these weapons ready. They are 14 items. We have the inventory. We are working on a points system whereby each weapon would receive certain points. This is for the purpose of the negotiations in Central America.

We will try to explain this. If a plane adds so many points, the helicopoter adds so many points, the tank adds so many points, military maneuvers add so many points, military bases add so many points, etc. Then we would add the total points and would seek an agreement among Central American governments whereby these points would be taken into consideration as a point of reference for the negotiation.

If, for example, it is decided that all the Central Americans are to have 100,000 points, then how would we reach these 100,000 points? Well, will it be with planes, helicopters, or with artillery? Well, we would have to add all these resources, knowing that each of them has a certain point value. Then our proposal is very specific. It is a proposal that shows Nicaragua's willingness for peace. In other words, Nicaragua is not interested in an arms buildup. We are willing to have limits for all the Central American countries because, of course, our proposal is aimed at establishing limits for all the countries, not only for Nicaragua.

This is a negotiation that must affect all the Central American countries equally. In our letter to Contadora, we also insisted that Contadora promote the dialogue between the United States and Nicaragua so that their relations can go back to normal. This is a determining factor in all these tensions. Contadora should also promote the agreements among Central American states, for example, to supervise border territories. You know that an idea like this one was worked out with Costa Rica. This was aimed at placing a supervisory force in the border area that can watch over and control the border territory so that there won't be any counterrevolutionary actions from Costa Rica to Nicaragua. Our proposal in this regard was made to Honduras.

In our letter to Contadora, we could not omit the military escalation that the United States has continued against Nicaragua. The attitude of the U.S. Government is that the U.S. President has continued to request military and financial support for the mercenary forces. Our response is a constructive answer. Our answer is a positive answer. Our answer is an answer in favor of Contadora, of Latin America, of peace. It is in favor of the Nicaraguan people because it is a response to the Nicaraguan people.

On the other hand, we are confronted with the attitude of the U.S. Government. It is an aggressive attitude. It is an attitude of ignoring the Contadora peace effort and wanting to destroy it in order to be left alone to continue its terrorist policy against Nicaragua. It disavows international law; it violates the law by not abiding by the orders of the International Court of Justice of putting an end to the aggression against Nicaragua, by not accepting the role of the court in the case Nicaragua presented against the United States. The United States continues violating international laws; it continues violating its own laws by insisting on its terrorist policy against Nicaragua.

Thus, the situation is very clear in this respect. We want peace. Latin America wants peace. The Central American peoples want peace. Even the Central American rulers want peace. Following our tlaks at Esquipulas with the Central American rulers, I dare say that deep down inside the Central American rulers want peace. However, what happens? The United States is exerting pressure with its blackmailing policy, and it is forcing the Central American governments to speak out against peace, to speak out in favor of war, in favor of aggression. Thus, the United States dominates with all its power.

The situation continues to be very complex; the situation is very difficult. However, in fulfilling its duty of struggling for peace in a responsible manner and defending the vital interests of the revolution, Nicaragua has given this reply to the Contadora Group, and it is today making it public knowledge. We wanted you -- companero workers -- to learn a few of the details of Nicaragua's answer sent to Contadora.

CAPTURE OF 2D FOREIGN CONTRA REPORTED

PA231540 Panama City ACAN in Spanish 1514 GMT 23 Jun 86

[Text] Managua, 23 Jun (ACAN-EFE) -- The Defense Ministry reported today that the Sandinist People's Army [EPS] has captured the second foreign anti-Sandinist combatant in less than 15 days. The source did not identify or mention the nationality of this "other mercenary of foreign orgin" captured by the EPS troops in the war zone in Nueva Guinea, on Nicaragua's Atlantic coast.

Last week official sources reported that the army captured U.S. contra Lalio Warner in combat, also in the Nueva Guinea area. The unidentified foreign rebel and Warner will be presented to the local and foreign press in the next few days, the Defence Ministry said. This is the first time that Sandinist forces have captured a U.S. citizen fighting alongside the anti-Sandinist groups. The reports on the capture of the foreign contras have arisen a few days before the resumption by the U.S. House of Representatives of the debates on the economic and military aid for the anti-Sandinists.

IRANIAN FOREIGN MINISTER EXPRESSES SOLIDARITY

PA231841 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 23 Jun 86

[Text] Iranian Foreign Minister 'Ali Akbar Velayati is paying an official visit to this country and has met with top Nicaraguan officials. At a news conference with local and foreign reporters, he expressed his solidarity with the Nicaraguan revolution.

D'ESCOTO VIEWS U.S. POSITION ON SOUTH AFRICA

PA210345 Managua International Service in Spanish 0000 GMT 21 Jun 86

[Text] Nicaragua denounced today in Paris what it terms a hypocritical and two-faced U.S. position regarding the implementation of sanctions against South Africa. The charges were made by Nicaraguan Foreign Minister Miguel D'Escoto at a world conference on sanctions against South Africa, being held in France. The revolutionary diplomat said that the United States refuses to approve the sanctions because it knows that they are the best weapons that the international community can apply to the criminal apartheid regime. In conclusion, Father D'Escoto said that the Reagan administration supports the attacks of the South African Army on neighbor countries, encourages the use of Namibian territory to attack Angola, and finances the Somozist bands that are attacking the Nicaraguan people.

ARCE LEADS DELEGATION TO SI CONGRESS IN PERU

Views Contadora

PA201511 Managua BARRICADA in Spanish 19 Jun 86 p 1

[Article by special reporter Maria Alicia Talavera]

[Text] Lima -- Commander of the Revolution Bayardo Arce, deputy coordinator of the FSLN Executive Commission, stated here today that the efforts of Contadora and its Support Group have been limited by the direct influence of the U.S. Government on the rest of the Central American countries.

Arce, who is also a member of the FSLN National Directorate, heads the Nicaraguan delegation that will attend the 17th Socialist International Congress that will be held in this capital from 20 to 23 June. Arce was greeted at the Jorge Chavez Airport by Lima Mayor Alfonso Barrantes.

In remarks to the Peruvian media tonight, Arce stressed that the policy of the Reagan administration in Central America has made the constructive and positive Conadora initiative difficult.

He emphasized: "Fortunately, the members of the Contadora and Support Groups have understood the political and historic importance of their effort because they have the chance to show the world a Latin America that presents alternatives, instead of those alternatives imposed from the north." He also stated that the results of the most recent meeting of foreign ministers, held in Panama City on 6 June, are a step forward in this peace effort and added: "We trust that Contadora and its Support Group will insist on this solution, the only one to achieve peace in Central America.

Meets Alan Garcia

PA202006 Managua Radio Sandino in Spanish 0000 GMT 20 Jun 86

[Text] Commander Bayardo Arce, vice coordinator of the FSLN Political Commission, today met with Peruvian President Alan Garcia. Garcia reiterated to Arce the solidarity of the Peruvian people and Government with the Nicaraguan people and Government. After the meeting, President Garcia told the press that Peru's support and solidarity with Nicaragua are without reservations and [words indistinct]. He added that the essential thing is that the Nicaraguans are brother Latin American people in a process of liberation. It is up to us to support them, he stressed.

The Peruvian president said that the Contadora and Support Groups produce Latin America unity, preventing interventionism in Central America and pressure against Nicaragua. We are with Nicaragua and that is the viewpoint that we are going to defend, President Garcia added.

ORTEGA COMMEMORATES FONSECA ANNIVERSARY

PA231726 Hamburg DPA in Spanish 1648 GMT 23 Jun 86

[Text] Managua, 23 Jun (DPA) -- The commemoration of the 50th anniversary of the birth of Commander Carlos Fonseca, who was the founder of the Sandinist National Liberation Front (FSLN), was marked by the determination of the Sandinist leadership to seek peace through political negotiation with the United States. Nicaraguan President Daniel Ortega, who is also coordinator of the FSLN Executive Commission, said that Fonseca knew that in fighting the Somozist dictatorship he was also fighting for peace.

Ortega noted that Nicaragua maintains its peace-keeping vocation, but at the same time has the right to guarantee the social benefits of the peoples achieved in the revolutionary process that began in 1979. Ortega said that for defense one must not renounce "the necessary instruments" in the face of the situation of military aggression financed by the United States and a possible direct intervention. Before Fonseca's tomb in the park plaza named after him in Managua, workers, government officials, students, and the population marched in tribute to the late Sandinist leader. Fonseca was killed in combat 9 years ago in the northern region of Nicaragua by a National Guard patrol in Zinica in Matagalpa Department.

LOW PARTICIPATION IN CONSTITUTIONAL DEBATES NOTED

PA201526 San Jose RUMBO in Spanish 13-19 Jun 86 pp 20, 21

[Excerpts] Over the past 2 weeks the Nicaraguans have been witnesses -- mostly passive witnesses -- to a feverish drive by the Sandinist government to consolidate its power through a new constitution. On behalf of the "people's democracy," Commander Carlos Nunez Tellez, president of the Nicaraguan National Assembly, has presided over half a dozen meetings with the government mass organizations, during which the articles of the FSLN-prepared draft constitution are discussed in the framework of the so-called "open town councils."

Despite the government's efforts, most Nicaraguans appear to be paying little attention to these constitutional debates, perhaps becasuse they share the certainty that in the end, no one outside of the FSLN will have any real say on the contents of the final version of that document. It is highly improbable that the overwhelming Sandinist majority in the National Assembly, where FSLN deputies outnumber those of the opposition by a seven to one ratio, will allow substantial changes to be introduced in the FSLN's draft when it enters the final phase of debate in that law-making chamber.

Only four left-wing political parties are bcking the FSLN in its race for the final approval of the new constitution. The Democratic Conservative Party (PCD) and the Independent Liberal Party (PLI), whose participation in the National Assembly is frequently questioned by their membership, decided not to participate in the "open town councils," thus remaining aloof with regard to the government project.

Conservatives and Liberals maintain that there are no guarantees in Nicaragua to hold open debates in view of the fact that every day hundreds of Nicaraguans are the target of repression by the state security agencies, sometimes only for being active in opposition political parties. The PLI stated that while the government is attempting to portray the "open town councils" as an exercise in democracy, 32 of the PLI's leading members in the provinces have been imprisoned after being arrested in their homes.

The PLI leaders said that this wave of arrests is also a form of "political revenge" that the FSLN is carrying out against the liberals, because they have not endorsed the draft constitution. The censorship office, meanwhile, sent a notice to the opposition newspaper LA PRENSA informing its editors tnat "following the instructions of the National assembly," no newspaper article dealing with the constitional debates would be subjected to censorship.

The newspaper seized the opportunity to publish an analysis of FSLN constitution draft that was prepared by the Democratic Conservative Party of Nicaragua (PCDN), the original and now divided bloc of the Nicaraguan conservative movement, which until then was banned in Nicaragua, as well as the mention of its president's name, Mario Rappaccioli. However, several days later, when LA PRENSA was beginning to intensify its criticism on the lack of freedoms in Nicaragua, the censorship office went back on its initial stance and banned publication of reports of that nature.

Although the citizenship's indifference to the plan has detractd from it, the mass organizations' participation in the "open town councils" has been a surprise because of the radical postures these have adopted, advocating the legalization of abortion, the loss of citizenship for "traitors," the suppression of "anti-patriotic producers," and, especially, the elimination of compulsory religious education in schools.

The manner with which the topic of religion is mentioned in the text of the constitution has been one of the most sensitive issues of the discussions and is outside the scope of the "town councils."

"There is no single invocation to God," sociologist Roberto Cardenal wrote in the newspaper LA PRENSA in an extensive analysis of the document.

Cardenal's study, which was in contrast with the partisan tone of the "town councils," has received the attention of all sectors of the country.

"The constitution commits the sin of omitting the mention of God, although the majority of Nicaraguans believe in a supreme being," Cardenal wrote.

BARRICADA, the official state newspaper, mocked "the right's criticism of the failure to invoke God in the constitution."

However, what truly irked the official newspaper was Roberto Cardenal's objection that according to Article No 127 of the draft constitution, the terms "fatherland and revolution" have the same meaning.

In general terms, the antireligious nature of the Sandinist government and its mass organizations had never before been so open as during the constitutional discussions. The church's situation is particularly difficult because the press censorship has declared an open war against its main leader, Cardinal Miguel Obando y Bravo, by banning the publication of even the cardinal's minor religious activities.

Moreover, the topic of abortion gave rise to heated debates after the Luis Amanda Espinoza Nicaraguan Woman's Association asked that abortion be legalized. It said that "Nicaraguan women are entitled to decide the use of our bodies."

The request by the feminist movement prompted protests in LA PRENSA for 2 days in a row. However, on the 3d day, the Interior Ministry censored the protests, in another violation of their own order to grant freedom to discuss constitutional matters.

According to the government's plans, the "town meetings" will continue in the next months before the Commission for Constitution Affairs of the Assembly submits the bill for final debate. The FSLN will most assuredly be able to enact a constitution before 31 December of this year.

By then, the Sandinist program to "institutionalize the revolution", started with the 1984 elections, will have formally drawn to a close. The revolutionaries will at last be happy having their own laws, despite the storms that they create along their path.

NICARAGUA CAPTURES MERCENARY OF 'CUBAN ORIGIN'

FL230111 Havana Television Service in Spanish 0000 GMT 24 Jun 86

[Text] The Nicaraguan Interior Ministry has reported that the second foreign mercenary captured in a group of Nicaraguan counterrevolutionaries is of Cuban origin.

The counterrevolutionary named Eulalio Fernandez Perez was detained in the Nueva Guinea zone east of Managua. Frenandez Perez was part of the bands armed by the United States.

During the past few days, the Nicaraguan Defense Ministry announced the capture during combat of U.S. mercenary Lalio Warner in the Cerro Aranca Basos, southeast of Nueva Guinea.

The capture of foreigners from the United States who are linked to counterrevolutionary groups confirms Washington's open support of those irregular forces while it is asking for more financial aid for the former Somozists.

IRANIAN FOREIGN MINISTER ARRIVES ON VISIT

FL231240 Havana Radio Progreso Network in Spanish 1100 GMT 23 Jun 86

[Text] Dr 'Ali Akbar Velayati, minister of foreign affairs of the Islamic Republic of Iran, has arrived in Havana on an official visit. During his stay in Cuba, the Iranian foreign minister will meet with top officials of the Cuban Government to discuss bilateral relations, the international political situation, and the nonalign countries movement.

Meets With Malmierca

FL231824 Havana Television Service in Spanish 1700 GMT 23 Jun 86

[Text] The Cuban and Iranian ministers of foreign relations, Isidoro Malmierca and 'Ali Akbar Velayati, began official conversations today in this capital city. The Iranian foreign minister arrived in our country yesterday on an official visit, invited by the revolutionary government. At the meeting, the two ministers discussed aspects of bilateral relations and exchanged viewpoints on the present world situation.

Rodriguez Also in Attendance

LD240842 Tehran IRNA in English 0800 GMT 24 Jun 86

[Text] Havana, June 24, IRNA -- The Iranian foreign affairs minister, 'Ali Akbar Velayati, currently visiting here, in a meeting with the Cuban vice-president, Carlos Rafael Rodriguez, Monday discussed international issues and mutual relations.

During the meeting which was also attended by the Cuban Foreign Minister Isidoro Malmierca, the Cuban vice-president stressed the need for consolidating stance of revolutionary countries in Latin America and Africa.

Praising Iran's support for the anti-imperialist campaign of the oppressed nations, Rodriguez called for further deepening of mutual relations and their greater cooperation in international circles.

Velayati, hoping that relations between the two countries will develop further, extended an invitation to the Cuban vice-president to visit Iran.

Meanwhile in a three-hour meeting with his Cuban counterpart, Monday night, Velayati discussed ways of further expanding mutual relations, cooperation of the two countries in international organizations, Non-Aligned Movement in particular, and also its forthcoming Harare session.

Malmierca referred to relations between the two countries and said that bilateral ties were sound and should expand further. Velayati also called for a greater cooperation among members of the Nonaligned Movement so that they will be able to rid themselves of economic domination of imperialism.

On the Non-Aligned Movement, Velayati said that it should firmly uphold its principles and remain non-aligned. Due to their common stance, Velayati told his Cuban counterpart, both countries can play a major role in materialization of the movement's goals.

On issues to be raised in Harare summit, Velayati said that top priority issues should include the situation in South Africa and the movement should pledge its support for Namibia and African Frontline countries.

Referring to the U.S. plots against Nicaragua, Malmierca said that the Nicaraguan people will continue to crush all those plots and resists U.S. threats.

On the situation in the Middle East region, Velayati said that there is a strong anti-U.S. movement and the nations, through their awakening, prevent expansionist policies of the U.S. and the Zionist regime.

Velayati also discussed the Iraqi-imposed war and stressed that the Islamic Republic of Iran will continue to defend itself.

Foreign ministers of the two countries decided that economic and international committees be set up to explore ways of expanding economic and trade relations and coordinating stances of the two countries on international issues.

AMBASSADOR RECEIVES SOVIET FRIENDSHIP ORDER

FL232152 Havana Radio Reloj Network in Spanish 1402 GMT 23 Jun 86

[Text] Petr Demichev, candidate member of the CPSU Central Committee Politburo and first deputy chairman of the USSR Supreme Soviet Presidium, today decorated Lionel Soto, Cuban ambassador to the USSR, in the Kremlin with the Friendship of the Peoples Order.

In the name of the CPSU and the Soviet Government, Demichev cordially congratulated the ambassador for receiving the high decoration which was presented to Soto because of his outstanding work to strengthen friendship and cooperation between the USSR and Cuba.

Soviet-Cuban relations, which are developed on Marxist and Leninist principles andd socialist internationalism, serve the interests of the peoples of the two countries and peace, Demichev said.

Soto expressed his appreciation to the CPSU and the Soviet state for the high estimation of his work and he indicated he would use all his efforts to strengthen Cuban-Soviet friendship.

Visits Uzbekistan

FL231516 Havana Radio Reloj Network in Spanish 1414 GMT 23 Jun 86

[Text] Lionel Soto, secretary of the Communist Party of Cuba and ambassador to the USSR, has paid an official visit to Uzbekistan, where he met with top party and state leaders and visited diverse factories. During his stay in Tashkent, from 18 to 21 June, the ambassador was received by Rand Abdullayeva and Sayyera Sultanova, secretary of the Communist Party of Uzbekistan and deputy chairman of the Council of Ministers respectively.

At the meetings, the existing relations between Uzbekistan and Cuba were discussed, as were the progress and economic success achieved by this Soviet republic in the last few years.

In addition, Soto visited installations of the scientific UVA [not further identified] combine, modern installations of the local subway system, and other areas in Tashkent in which the new architecture of the city rebuilt after the 1916 earthquake is visible. The Cuban ambassador also visited the historic city of Samarkano, founded 25 centuries ago.

Meets With Shevardnadze

FL240136 Havana Radio Rebelde Network in Spanish 2300 GMT 23 Jun 86

[Text] Soviet Foreign Minister Eduard Shevardnadze, member of the CPSU Politburo, met today in Moscow with Cuban Ambassador to the USSR Lionel Soto, member of the Secretariat of the Communist Party of Cuba Central Committee. During the meeting, topics of mutual interest were discussed. The Cuban diplomat also visited Uzbekistan where he met with the highest political and Government authorities in the USSR.

MALMIERCA RETURNS FROM PARIS MEETING ON SOUTH AFRICA

FL231203 Havana Tele-Rebelde Network in Spanish 1100 GMT 23 Jun 86

[Text] Foreign Minister Isidoro Malmierca Peoli and the delegation that accompanied him to the international conference on sanctions against South Africa, held in Paris, France, have returned to our country. The conference lasted 5 days and was attended by representatives from 130 countries and international organizations. The delegates debated the situation in South Africa and supported the adoption of concrete measures against th apartheid regime.

DELEGATION ATTENDS YUGOSLAVIAN PARTY CONGRESS

FL232348 Havana Radio Rebelde Network in Spanish 2300 GMT 23 Jun 86

[Text] Commander of the Resolution Juan Almeida Bosque, member of the Communist Party of Cuba Politburo, arrived today in the Yugoslav Capital heading a delegation to Yugoslavia's 13th League of Communists [LCY] Congress.

The Cuban delegation was met by (Sasiana Vasil Jerid), member of the Presidium of the Socialist Alliance, and Milovan Markovic, member of the LCY Presidium.

POLISH TRANSPORT MINISTER ARRIVES FOR CEMA MEETING

FL231836 Havana Television Service in Spanish 1700 GMT 23 Jun 86

[Text] Polish Minister of Transport Janusz Kaminski has arrived in Cuba to participate in the 75th meeting of the permanent commission of CEMA in the field of transport. The Polish minister will act as chairman of the meeting. (B. Kalpakov), vice minister of roads and communications of the USSR, has also arrived in our country. The meeting will be held from 24 to 27 June at the Palace of Conventions.

FAR DELEGATION CONCLUDES VISIT TO KAMPUCHEA

FL240144 Havana Radio Rebelde Network in Spanish 2300 GMT 23 Jun 86

[Text] The FAR delegation headed by Vice Admiral Aldo Santamaria today concluded its 1-week visit to Kampuchea after participating in the activities commemorating the 35th anniversary of that Indo-Chinese country's army. During its visit to Kampuchea, the Cuban delegation visited several areas of economic, historic, and cultural interest and met with that country's highest leaders.

FORMER PRESIDENT OF MEXICO ARRIVES ON VISIT

FL1231245 Havana Tele-Rebelde Network in Spanish 1100 GMT 23 Jun 86

[Text] Former Mexican President Luis Echeverria has arrived in Cuba, invited by Commander in Chief Fidel Castro Ruz. He was received at the Jose Marti International Airport by Jose Ramon Fernandez, alternate member of the Politburo and vice president of the Council of Ministers, other state leaders, and by Mexican Ambassador to Cuba His Excellency Enrique Olivares Santana.

JOSE FELIPE SUAREZ NAMED AMBASSADOR TO TOGO

FL231340 Havana Tele-Rebelde Network in Spanish 1100 GMT 23 Jun 86

[Text] The Council of State has designated Comrade Jose Felipe Suarez ambassador extraordinary and plenipotentiary of the Republic of Cuba to the Republic of Togo, with residence in Cotonou, People's Republic of Benin, where he holds the same position.

U.S. 'ATTACKS', 'PRESSURES' ON MEXICO VIEWED

PA232223 Havana International Service in Spanish 2300 GMT 22 Jun 86

["Our America" commentary]

[Text] Once again, Mexico has become the target of U.S. attacks and pressures. Thursday, ultrarightist lawmaker Jesse Helms, chairman of the U.S. Senate Subcommittee on Western Hemisphere Affairs, said that President Miguel de la Madrid was fraudulently elected in 1982.

Helms, who for several weeks has been carrying out a fierce campaign against alleged official corruption in Mexico, said that according to documentation in his hands there was a vote count that was made separately from the official vote tally following the elections, which gave victory to President de la Madrid.

When the time came to show to the press the alleged government documentation that presumably supported his statements, Senator Helms gave reporters typewritten copies of the Mexican election results, which did not constitute official evidence in any way. Immediately afterward the Republican Helms insisted that Mexico does not deserve economic assistance from the United States to resolve its sharp foreign debt crisis until it reforms its political system.

This new attack is but a repetition of previous attacks, also carried out by Helms, sounding board of the Reagan administration's pressures over Mexico's sovereignty. Immediately after Senator Helms criticized the Mexican electoral process, William Rogers, former assistant secretary of state for inter-American affairs, testified before the Subcommittee on Western Hemisphere Affairs that the statements and accusations will trigger anti-U.S. demonstrations in Mexico like those that followed the previous attacks.

Leaving all this policy of intrigue and discredit against a sovereign state aside, it is evident that the Reagan administration has plunged wholeheartedly into a campaign of attacks against those states that do not bow to its directives and orders. Not long ago we said that Mexico's brave foreign policy stance was one of the reasons why the U.S. singles out this nation as a target of its attacks. In this same context, one cannot help but raise an eyebrow at the proposal that President Reagan made to the Mexican legislators who participated in the 26th U.S.-Mexico interparliamentary meeting held several days ago. At that meeting, the U.S. President asked Mexico to help, together with the United States, those who are fighting for freedom, in a clear reference to the Nicaraguan counterrevolutionaries.

If accepted, that brash proposal would mean that Mexico would have to abandon its clear position on principles and its active participation in the Contadora Group to line up on the opposite side of the street in connection with the negotiations is has so steadfastly supported until now.

At the meeting with Reagan, Antonio Riva Palacio, president of the Mexican Senate, insisted that the relations between the two countries must be founded on the principles of self-determination nonintervention, and peaceful resolution of conflicts.

The United States undoubtedly wants to compromise Mexico and its domestic policy to discredit that Latin American nation and diminish its influence in the Central American peace efforts. So far, the U.S. Government has been unable to change Mexico's sovereign position that its national principles and interests are not negotiable.

CAMAGUEY USES SATELLITE TO ACCESS DATA BASE

FL211744 Havana Television Service in Spanish 1700 GMT 21 Jun 86

[Text] For the first time in Camaguey Province, tele-communications specialists have established a service accessing a data base by using a satellite. A group of technicians established communications with the CEMA International Center for Scientific-Technical Information in Moscow. The system has been used for the past 2 years in Cuba by the National Center for Exchange of Automated Information at the Cuban Academy of Sciences. This experience demonstrates the possibilities available for Camaguey for using that type of documentation and it is expected to be installed at the multi-faceted scientific-technical information center in the Academy of Sciences.

ELECTRIC POWER DISTRIBUTION SYSTEM COMPLETED

FL231658 Havana Tele-Rebelde Network in Spanish 1100 GMT 23 Jun 86

[Text] The interconnection of the 130-kilovolt line from Baracoa to Maysi has been completed, and all the municipalities have thus been connected to the national electricity network. Today, the network reaches from one end of the island to the other, from San Antonio to Maysi, providing electricity to all the municipalities.

On the Isle of Youth, there is another network powered by a large diesel generator, and other diesel generators guarantee the supply of electricity in very remote areas of the mountains.

BRIEFS

NEW BURMESE AMBASSADOR -- Carlos Rafael Rodriguez, vice president of the Council of State, today recieved the ambassador of the Socialist Republic of the Union of Burma in Cuba, Maung Maung Gyi, who presented his credentials. Jose Viera, minister of foreign relations ad interim, participated in the ceremony. [Text] [Havana Radio Rebelde Network in Spanish 2300 GMT 20 Jun 86 FL]

BAHAMAS

PINDLING SAYS ELECTIONS TO BE HELD BY AUGUST 1987

FL232108 Nassau Domestic Service in English 1200 GMT 23 Jun 86

[By Obie Wilchcombe]

[Statements by Prime Minister Lynden O. Pindling at a news conference to announce formal opening of government adminstrative offices in Grand Bahama; date not given -- recorded]

[Text] On to the general elections, the prime minister [Lynden O. Pindling] was asked when.

[Begin recording] The day when I know what the date is but I don't know what the date is yet. But it will be pretty soon. It must be by August of 1987, and I'm not going to leave it until August. I've never left it until the last minute yet, and I don't think I'm going to make that a habit, so it will do [as heard] before the deadline. [end recording]

DOMINICA

CHARLES TO VISIT LONDON, BRUSSELS, GUYANA

FL231135 Bridgetown CANA in English 1619 GMT 22 Jun 86

[Text] Roseau, Dominica, June 22, CANA -- Dominicas Prime Minister Eugenia Charles is off on a three-nation tour that will climax in her attendance of the Caricom heads of government summit in Guyana next month.

Charles left for Britain yesterday and will visit Brussels before flying to Georgetown. In London, she will hold talks with Prime Minister Margaret Thatcher, Foreign Secretary Sir Geoffrey Howe, and Overseas Aid Minister Timothy Raison and other top officials. She told reporters the utilisation of a five million sterling loan from Britain will be discussed with British officials.

Dominica is the first island among the Organisation of Eastern Caribbean States (OECS) Grouping to receive such follow-up assistance from Britain after the so-called independence golden handshake. The island, like the other OECS countries, has already received a 10 million sterling independence gift package. Dominica's fund is mainly being used in the banana industry.

Charles said Britain was prepared to help in the marketing of the island's products, through the five million package, but she would also seek for the construction of a sea wall outside the capital, and the repair of a jetty to facilitate small boats engaged in inter-island trading.

She said if the jetty is repaired, it may also be possible to direct tourist ships to this area and leave the island's main port free for commercial cargo vessels.

Charles will be accompanied to London by newly-accredited non-resident ambassador Franklyn Baron. Her trip to Britain is at the invitation of the Thatcher government.

In Brussels, Charles will finalize plans for the establishment of a Dominica mission there. Former trade minister Charles Savarin is carded to head the mission and is expected to take up duties next month.

The Prime Minister also said that she would be discussing with the European Commission a programme for the establishment of two youth recreational centres in Roseau. Thorugh this programme, football and athletics facilities at the Windsor Park, the island's main sports field, will be upgraded, and a cricket ground of test match standard is to be developed at the botanical gardens, a former centre of cricketing activity; which was destroyed by Hurricane David in 1979.

GRENADA

BLAIZE TO PURSUE APARTHEID ISSUE IN CARICOM

FL231125 Bridgetown CANA in English 1606 GMT 22 Jun 86

[Text] St Georges, Grenada, June 22, CANA -- Grenada Prime Minister Herbert Blaize says he intends to raise the issue of apartheid at next month's Caricom heads of government summit in Guyana. I have undertaken as leader of the government of Grenada to see to it that this matter is raised at the Caricom heads of government meeting in Guyana, he said in a radio broadcast.

Blaize said he would seek to have the other heads look at the call from the World Council of Churches (WCC) for there to be concerted and cooperative action to bring pressure on the racist regime in Pretoria. I feel if such cooperative action could be taken at that level more weight would be brought to our decisions than if each individual state takes similar action, he said.

NNP LEADERSHIP MAY SPLIT IF BLAIZE STEPS DOWN

FL122512 Bridgetown CANA in English 2036 GMT 21 Jun 86

[Text] St Georges, Grenada, June 21, CANA -- Nearly two years after it was hastily stitched together on a tiny palm-fringed Grenadine holiday island, Grenada's ruling party (NNP) [New National Party] seems headed for its toughest challenge yet.

Rumblings of discontent in the ranks of the three-party alliance, headed by aging Prime Minister Herbert Blaize, have never been far beneath the surface. But gradually they are beginning to breakthrough, and could prove an embarrassment to the sponsors of the alliance that won all but one of the seats in Grenada's 1984 general elections -- a poll that returned the country to parliamentary democracy after a four-and-a-half-year flirtation with socialist revolution.

The resignation of Junior Education Minister Kenny Lalsingh from the NNP, following a running battle with the hierarchy of the party over charges that he misappropriated state cement, appears to have been the start of a train of events that could eventually lead to the formation of a new opposition to the NNP, incorporating in its ranks some figures now in the ruling party. Lalsingh has already announced his intention of forming his own political party, and has predicted that at least three other NNP members will join him.

Usually reliable sources here have confidentially named the NNP members of parliament expected to join the proposed party and said one of them may in fact head the organisation. But none of the persons involved were immediately available for comment.

Another Grenadian political figure said to be involved in talks about the formation of the new party is Winston Whyte -- a regular figure of local politics over the years who made an unsuccessful bid for a parliamentary seat as leader of a small Christian Democratic party in the 1984 general elections. Whyte may well have the satisfaction of seeing some of his party's Christian democratic principles form the basis of the constitution of the new political party, according to some sources here.

These manoeverings, involving as they do some figures inside the NNP, betray the fragility of the alliance that was glued together on Union Island with generous U.S. and conservative Caribbean help in August 1984, four months before the elections. Leaders of the three parties that eventually formed the NNP -- Dr Francis Alexis of the Grenada Democratic Movement (GDM), Blaize, long-time head of the Grenada National Party, and George Brizan of the New Democratic Party (NDP) -- went to Union Island ostensibly at the invitation of St Vincent Prime Minister James Mitchell after their own efforts to form an alliance foundered on the issue of who should be leader.

Joined on Union Island by late Barbadian Prime Minister Tom Adams, John Compton of St Lucia, and host Mitchell of St Vincent, the three Grenadian politicians were said by reliable sources to have heard the proverbial reading of the riot act from their regional colleagues, capped with a warning that unless they agreed on an alliance, the Caribbean islands, which joined the invasion of Grenada in 1983, and the U.S. itself will abandon them to Eric Gairy's United Labour Party, which appeared to have been gaining strength at the time in the face of the divisions in the other parties. At the end of the day, they agreed on the formation of the NNP, with Blaize, a veteran Grenadian politician and former chief minister, as leader but with most of their differences papered over, rather than genuinely resolved.

One outstanding issue which remained unsettled until nearly a full year after the NNP won the elections was who should be Blaize's deputy and, therefore, his heir apparent in the NNP. The two leading contenders were Alexis, the labour minister, and Brizan, although since his assumption of office as prime minister, Blaize has appeared increasingly to favour his foreign minister, Ben Jones, as his deputy. Jones, a long-time associate of Blaize's in the GNP, acts as prime minister when Blaize is out of the island, and there is general agreement here that Jones would succeed Blaize should the 67-year-old prime minister decide to retire.

This leaves Dr Alexis with the party, but not the government. The six months or so that he has been deputy political leader has made no apparent difference to his position vis-a-vis Jones as Blaize's successor to the prime ministership. Some analysts here say a realisation that his influence in the government may not immediately rise above that of labour minister -- a politically non-sensitive cabinet post -- could easily inspire him to cast his lot with a new political party whose primary aim would be to offer a viable alternative to the NNP, and fill the vacuum in the opposition created by the new clean sweep of the polls by the NNP in 1984.

Meanwhile, Brizan is preparing his challenge for the next NNP convention which is scheduled for sometime near year-end. Brizan and Alexis duelled for the number two spot in the NNP at the last convention in late 1985.

A proposal for the party to create a second post of deputy political leader, specifically to accommodate Brizan, was defeated, and Alexis emerged as Blaize's deputy in the NNP. Brizan remained relatively quiet afterward but has confided to close aides that he does not intend to do so again when the NNP holds its next convention.

All of this is taking place against the background of persistent reports that an ailing Blaize may relinquish his post. He has himself denied these reports, but has travelled to the U.S. twice in the past six months or so for medical treatment for what is being described as a prostate disorder. Blaize received radiation therapy at Walter Reed Army Medical Centre when the visited the U.S. late last year. Though he has denied plans for retirement soon, Blaize has offered no explanation about the nature of his illness.

ST LUCIA

LABOR PARTY PREPARES FOR EARLY ELECTIONS

FL211448 Bridgetown CANA in English 1426 GMT 21 Jun 86

[Text] Castries, St Lucia, June 21, CANA -- The opposition St Lucia Labour Party [SLP] has called for its annual convention ahead of schedule, in anticipation of early elections, according to SLP officials. Members and supporters from across the island will assemble at Choiseul Community Centre tomorrow to continue preparations for elections, constitutionally due less than twelve months.

During the past few weeks political activity in St Lucia has intensified. Both the main St Lucia Labour Party and the left-leaning Progressive Labour Party (PLP) have been more visibly active on the political front in the belief that Prime Minister John Compton will go for an early poll in his bid to secure a second straight five-year term for his ruling United Workers Party (UWP).

SLP Secretary Hilary Modeste said the convention has been brought forward from August this year to June in the event that an early election is called. He said on Sunday they will deal mainly with the constitutional aspects of the party, the re-elections of officers, and examine some resolutions. We want to get that out of the way, as we are not sure when the prime minister will call the next election. However, we have decided that if the poll is not called by August, we will have a special conference where we will present the party's social and economic policy programme for discussion and ratification, modeste said.

He added: What we are doing in fact is anticipating an early election, which if called we would have had our officers in place, and we would be going into the contest as a united party. We realised that we have to be ready anytime a date is announced, and we thought it was necessary to advance the date from August to June this year.

Delegates to the convention will hear reports from the chairman, Tom Walcott, the leader of the opposition in parliament Neville Cenac, Executive Secretary Modeste, and an address from the political leader Julian Hunte. Hunte is expected to itemise some major policy areas of the SLP and announce plans should the party be elected to from the next government.

The feature address will be given by St Lucian Lennie St Hill, a town planner now resident in Barbados.

JACKSON SAYS RAPPROCHEMENT SOUGHT WITH U.S.

F1231255 Bridgetown CANA in English 2055 GMT 22 Jun 86

[Text] Bridgetown, Barbados, June 22 CANA -- The Guyana Government does not intend to divest state enterprises, Foreign Minister Rashleigh Jackson has been quoted as saying. Jackson was explaining the government's economic liberalisation programme in an interview with the London-based LATIN AMERICA WEEKLY REPORT. There is to be no privatisation of state enterprises, he said.

Jackson said that if any of the 40-plus enterprises do not submit viable profit plans by the end of this month they face closure and possible transfer to the private sector. The private sector, he said, is to be encouraged to enter manufacturing, forestry, and agri-business as new ventures leaving the retailing sector to the government in order to control prices.

On the bauxite sector, the publication reported that Jackson said that ultimate state ownership would remain even if this was not absolute.

Jackson said the policies of President Desmond Hoyte, which show a shift to the right, do not represent a change in direction but rather a different style of leadership. The PNC under (the late President Forbes) Burnham had clear objectives, independence, new values to replace colonial mentalities, republican status, ... non-alignment and control of the economy.

But the publication said that as a result of those policies which it said produced virtual bankruptcy, the next stage, according to Jackson, must be one of reconstruction, with new tactics recognising concrete realities.

Referring to talks with a top U.S. state department official, Jacson said that our expectations are high for improved relations. The publication said that U.S. wheat and food aid resumes at the end of the month. But Jackson said: Washington must not push us away from our non-aligned position, nor insist upon modifications to our relations with Cuba.

HOYTE INTERVIEW IN VENEZUELAN DAILY CITED

FL240016 Bridgetown CANA in English 2337 GMT 23 Jun 86

[Text] Caracas, June 23, CANA-REUTER -- [Venezuelan] Foreign Minister Simon Alberto Consalvi today praised Guyanese President Desmond Hoyte as a serene and prestigious statesman with an understanding of the importance of bilateral cooperation. Consalvi said he had discussed with President Jaime Lusinchi statements Hoyte made in an interview published today by the daily newspaper EL NACIONAL. We think they have positive aspects and are favourable to the progress of the conversations Guyana and Venezuela have held in recent years, Consalvi said.

In the interview, Hoyte said he is open to any initiative which would help resolve the dispute over the Essequibo border region, a 53,000 square mile territory which Venezuela claims was unfairly awarded to Guyana in an 1899 arbitration. Both nations have turned the controversy over to the United Nations secretary general, who has been empowered to choose the means of resolution. As good neighbours we have to seek practical solutions that take into account the interest of the peoples of Guyana and Venezuela, Hoyte said.

The Guyanese president said his government, elected last December, was receptive to the secretary general's proposal that a contact group be created to serve as mediators between the two nations. However, Hoyte insisted that all proposals will have to satisfy the dignity of the Guyanese peoples. This criteria is also true for the Venezuelan people. I don't have an inflexible position on this matter. I'm open to negotiation, he said.

Hoyte also said that while his government has invited foreign oil companies to bid on exploration rights in Guyana, there are currently none operating in the Essequibo.

The question of the Essequibo has divided Venezuela and Guyana and been a rallying point for nationalism over the years. When Venezuela bought F-16 fighter jets from the United States in 1982, the late president Forbes Burnham protested, saying the planes could eventually be used to attack Guyana.

With Hoyte's arrival to power, the border controversy has begun to take a back seat, as the two nations have sought areas where they can cooperate. In April, an agreement was signed by which Guyana will exchange 500,000 tons of bauxite yearly for 10,000 barrels per day of Venezuelan oil.

Over the weekend, a Venezuelan trade mission completed a four-day visit to Georgetown to seek ways of further improving commercial relations. In Georgetown, senior trade ministry official described the talks with government and private sector representatives as fruitful. The Venezuelan team was supplied with lists of especially non-traditional products which Guyana could supply to Venezuela. For both sides the opportunities look very good, the official said.

Sourcees said it was expected that imports would initially be made by Guyana, under a line of credit agreement which already existed between the two countries. The Venezuelans said they could supply steel and steel-products, paper and paper products, pharmaceuticals, electrical products, water pumps, and agricultural, and other chemicals.

FBIS DAILY REPORT
CONTENTS

Latin America

Vol VI No 122 25 June 1986

INTER-AMERICAN AFFAIRS

Contadora Ministers To Meet With UN's Perez A 1

ARGENTINA

USSR Envoy Says Nuclear Contamination in Falklands B 1
Soviets Extend Ship Maintenance Contract B 2
Negotiations Under Way for Exclusion Zone Fishing B 2
Reportage on Foreign Minister Caputo's Visit to France [Cross-reference] B 2

BOLIVIA

Banzer Denies ADN Shares Control of Government C 1
Briefs: New Telecommunications Union Leadership C 1

BRAZIL

Nobistor Mercenaries Sentenced; Ship Confiscated [O GLOBO 20 Jun] D 1
Nicaraguan Ambassador Wants Burglaries Solved D 1
Sarney Fears 'Holy War' Over Land Reform Issue [FOLHA DE SAO PAULO 20 Jun] D 1
Briefs: Record Monthly Trade Balance; Belgian Drug Connection Broken D 2

CHILE

FPMR Takes Over Stations, Broadcasts Message E 1
FPMR 'Leader' Discusses Movement, Goals [BARRICADA INTERNACIONAL 12 Jun] E 1
Freight Train Suffers Bomb Attack, No Injuries E 4
Radical Party Leader Elected SI Vice President E 4

COLOMBIA

'Wave of Violence' Sweeps Country; 11 Die F 1
'New' Guerrilla Group Holds Up Magdalena Bank F 1
Suspects Arrested in Attack Against Minister F 1
Attorney General Releases Justice Palace Report F 2

PARAGUAY

Reportage on Arrival of Domingo Laino in Asuncion H 1
  Laino, Robert White Beaten H 1
  Police Troops Mobilized H 3
    [LA TARDE 24 Jun]
  Laino Leaves for Uruguay H 3
Saldivar Notes 'Fruitful' Relations With Brazil H 4
    [EL DIARIO 22 Jun]

PERU

Garcia Addresses Nation on Prison Riots J 1
  Navy Minister on Riots J 4
MRTA Occupies 4 News Agencies in Lima J 6
  Forced to Transmit Message J 6
False Bomb Threat Delays Departure of Two Planes J 7
Police Seize 32 Tons of Cocaine, Planes J 7

VENEZUELA

Lusinchi Congratulates Spain's Felipe Gonzalez L 1
Briefs: New Air Force Commander L 1

MEXICO

Petriccioli Says Nation Will Not Call Moratorium M 1
Banks Willing To Grant New Lines of Credit M 2
Foreign Secretary Departs for Contadora Meeting M 3
De la Madrid, Cerezo To Discuss C. America M 3
Agriculture Secretary Discusses Trade With France M 3
USSR Envoy on Helms 'Unbelievable Meddling' M 4
    [EL NACIONAL 20 Jun]
12 Leftist Organizations Form Political Front M 4
    [THE NEWS 18 Jun]
Briefs: Drugs Confiscated M 6

PANAMA

PdP Leader Views 'Campaign' Against Noriega N 1
    [MATUTINO 24 Jun]
Japanese Admiral, Noriega Discuss Cooperation N 1
Treaty Fulfillment Commission Created N 1
Eden Pastora on Withdrawal From Struggle N 1
    [LA PRENSA 24 Jun]
Government Again Blocks Radio Mundial Broadcasts N 2
    [LA PRENSA 23 Jun]

CENTRAL AMERICA

COSTA RICA

Madrigal Views Nicaragua's Stance on Contadora P 1

GUATEMALA

Declaration Issued on Cerezo's Visit to Mexico P 1
Government Considers Cubans' Request for Asylum P 2

HONDURAS

Local Soldier Kills U.S. Soldier in Olancho P 3
Military Official Discusses Nicaraguan Refugees P 4

NICARAGUA

Ortega Comments on Contra Aid Vote, Democracy [Mainz] P 4
Defense Ministry Reports on Captured Mercenaries P 5
Ramirez Holds Press Conference in Rome [LA REPUBBLICA 20 Jun] P 5
FSLN Issues Message on Fonseca Anniversary P 7
Social Democrats' Leader Views Domestic Problems [AFP] P 9
UNO, BOS Leaders Sign Unity Agreement [AFP] P 9
Pastora Discusses Future Plans, Peace Prospects [EL NACIONAL 16 Jun] P 10
Briefs: Soviet Grain Donation P 12

CUBA

Further on Iranian Foreign Minister's Visit Q 1
    Meets With Castro Q 1
    Velayati Departs Q 1
Reagan Addresses U.S. in Support of Contra Aid Q 1
Two Captured Mercenaries Reported To Be Cuban Q 2
Soto Meets With Soviet Central Committee Member Q 2
Santiago de Cuba Makes Satellite Link With Moscow Q 2
Defense Minister Sends Message to PRK's Bou Thang [SPK] Q 3
Deputy Mayor of Prague Visits Havana Q 3
Felipe Gonzalez Receives Rodriguez Llompart Q 3
Government Reiterates Position on Olympic Games Q 3
Delegation Arrives in Dominican Republic Q 4
CEMA Transportation Meeting Begins in Havana Q 4
Culture Minister Speaks at Education Meeting Q 4

DOMINICAN REPUBLIC

Violence Breaks Out After National Elections R 1
    2 Killed in Electoral Dispute R 1
    5 Killed at Rally R 1
    Police: No Comment R 1
    President Fires Police Chief R 2
    Army Occupies City Hall R 2
Government Establishes Relations With SDAR R 3

CARIBBEAN

Caribbean Law Ministers Discuss Drug Problem S 1
    Caricom Agrees on Program S 1
Caricom Secretariat Reports on Trade Decline S 2

BARBADOS

Government Announces New Appointments S 2
Trade Minister Departs for Caricom Meeting S 3

DOMINICA

CNM Calls for Caricom To Discuss Nationhood S 3

ST VINCENT

Mitchell Supports Political Union of Caricom S 4

TRINIDAD-TOBAGO

Poll Shows NAR Not Trusted in Government S 4

CONTADORA MINISTERS TO MEET WITH UN'S PEREZ

FL241530 Mexico City NOTIMEX in Spanish 1925 GMT 23 Jun 86

[Text] United Nations, N.Y., 23 Jun (NOTIMEX) -- The foreign ministers of the Contadora Group, consisting of Mexico, Venezuela, Colombia, and Panama, will meet this Thursday with UN Secretary General Javier Perez de Cuellar. It has been reported officially that the reason for the visit is to give the secretary general the final version of the Contadora document for peace and cooperation in Central America.

The foreign ministers of the Contadora Group habitually meet with the UN secretary general, who is ordered by the General Assembly to follow closely all events related to Contadora.

The new peace document, which according to the mediating group contains points which have been mostly agreed upon by the Central American countries, and a section on military points that attempts to conciliate their divergent positions, was presented to the foreign ministers of the region and of Panama 2 weeks ago with the plan to sign the peace treaty within a short while. However, Costa Rica, El Salvador, and Honduras rejected the document almost immediately and mentioned the possibility of repudiating the peace document in order to present an alternative document, possibly with the backing of Guatemala. These three countries insist on including specific procedures for the democratization of Nicaragua, which have been described as interference by both Nicaragua and the Contadora Group.

The presentation of the new version of the peace document to Perez de Cuellar would, according to a Latin American diplomat tend to reinforce the position of Contadora vis-a-vis the attempts to relegate the attempts at mediation to a less prominent position.

USSR ENVOY SAYS NUCLEAR CONTAMINATION IN FALKLANDS

PY241935 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1810 GMT 24 Jun 86

[Text] Buenos Aires, 24 Jun (NA) -- Local Soviet Embassy officials stated here today that the nuclear cargo of the four UK ships, including the Sheffield, which were sunk during the Malvinas war are contaminating the waters of the South Atlantic. They also said that the installation of a British military base on the archipelago poses "a great threat" to world peace.

During a press conference at the USSR Embassy in Buenos Aires, the Soviet diplomats released a press communique warning that the unilateral decision of the United States to denounce the SALT-I [as received] antirocket agreement "has opened the floodgates for an unbridled arms race and is threatening the security of all the nations," of the world.

USSR Charge d'Affaires in Argentina Viktor Tkachenko and Air Force Attache Colonel Tiptashov warned about the threats posed by the U.S. technomilitary project known as "Star Wars."

The military man also said that Argentine-Soviet military relations "can be improved and broadened" at the nonstrategic level and admitted that "there are possibilities" that an Argentine Air Force pilot or an Argentine aeronautical engineer could participate in a Soviet space flight.

Asked whether the USSR had information proving that there are nuclear weapons on the Malvinas, Tkachenko said that "my country and Argentina are greatly concerned over the building of a British military base on the archipelago." Tkachenko said: "A military base there would be a major threat to world peace and security, especially for countries of the Southern Cone and on the African Atlantic coast."

The diplomat emphasized the need for the countries of this region "to intensify their efforts to prevent a military escalation in the South Atlantic," and reiterated his country's support for the Argentine rights over the Malvinas.

Tkachenko then introduced Vladimir Vessenskiy, a journalist of the Soviet magazine LITERATURNAYA GAZETA, who noted that, based on his own research and on the Spanish newspaper CAMBIO 16, "the Argentines now have a Chernobyl in the Atlantic." He was alluding to the radioactive contamination caused by the Ukranian nuclear disaster.

Vessenskiy stated that "Great Britain notified its allies of the position of its sunken ships." He also charged that the Sheffield, which was bombed by Argentine Naval Air units, "was ultimately sunk by the British themselves because of contamination." Vessenskiy asked "if something was being done to prevent the contamination of the South Atlantic." He said there could be some connection between this contamination and the recent appearance of dozens of dead penguins on the Malvinas beaches. Quoting an unnamed Argentine lawmaker, Vessenskiy said: "The outer containers of the nuclear bombs were designed for dry places, not for the ocean."

In reply to a question, Colonel Toptashov said that the USSR "does not feel constrained by the British base on the Malvinas and the U.S. presence on Easter Island, but he emphasized that this situation creates "a political concern in the world over a region which, during World Wars I and II, stayed outside the conflicts."

Tkachenko warned that a nuclear war would affect the entire world without any exceptions. He reiterated that the USSR has proposed to the U.S. Government "to change the "star wars" project to a star peace proposal." He pointed out that his country is willing to provide free scientific infomation about space to the developing countries within the framework of eventual cooperation agreements.

The document released by the Soviet Embassy indicates that the U.S. Government rejected the 1972 SALT-I Treaty on strategic armaments "to get military advantages and break the strategic-military parity reached by the two superpowers." The document warns that the USSR "will not remain impartial to the U.S. rupture of the SALT agreement," and that "once the U.S. Government overcomes the limits established for armaments or violates in one way or another the points of the agreement that the two countries have respected so far, the USSR will consider itself free of the current commitments in the SALT-I and SALT-II agreements.

In conclusion, the document states that "the measure taken by the U.S. Government to undermine the SALT agreements does not show any desire to participate in the creation of the necessary political atmosphere" for a new summit meeting between President Ronald Reagan and Soviet leader Mikhail Gorbachev.

SOVIETS EXTEND SHIP MAINTENANCE CONTRACT

PY241915 Buenos Aires TELAM in Spanish 1449 GMT 24 Jun 86

[Text] Buenos Aires, 24 Jun (TELAM) -- The Fish Industry Ministry of the Soviet Union has extended a contract for maintenance work on vessels from the Sovrybflot fleet that operate commercially in the South Atlantic. This information was made public today by executives from the Talleres Navales Darsena Norte Inc (Tandanor).

The maintenance work will be done by this state-owned enterprise, which was contracted by the Soviet Union Fish Industry first deputy minister, Nikolay Pavlovich Kudryavtsev, during his recent visit to our country. Deputy Minister Kudryavtsev met several times with executives from Tandanor and AFNE [State Shipyards and Naval Factories].

NEGOTIATIONS UNDER WAY FOR EXCLUSION ZONE FISHING

PY192056 Buenos Aires Domestic Service in Spanish 1600 GMT 19 Jun 86

[Text] According to a report by (Julio Jorgerot), manager of the National Fish Market [Mercado Nacional de Concentracion Pesquera], negotiations for signing a fishing agreement with the countries operating in the exclusive zone established by the United Kingdom are at an advanced stage. (Jorgerot) said that the negotiations are being conducted through the Fishing Under Secretariat. He added that the agreement states that a percentage of the catch of foreign flag bearing fishing boats will remain in Argentina and could be exported after processing.

REPORTAGE ON FOREIGN MINISTER CAPUTO'S VISIT TO FRANCE

For reportage on the visit of Foreign Minister Dante Caputo to France, including his meeting with his French counterpart, see the France section of the 24 June Western Europe DAILY REPORT and subsequent issues.

BANZER DENIES ADN SHARES CONTROL OF GOVERNMENT

PY241756 La Paz La Red Panamericana in Spanish 1130 GMT 24 Jun 86

[Text] General Hugo Banzer Suarez, the leader of the Nationalist Democratic Action [ADN] party, which is maintaining a democratic pact with the ruling MNR [Nationalist Revolutionary Movement] party, has made a clarifying statement to the press. Banzer has said that the ADN is not cogoverning with the MNR. The ADN is in a position to serve the country from any position assigned by the people. Banzer added that if the circumstances require such a type of government, the ADN will assume that responsibility, but this is not the case now. Therefore there are no plans for cogovernment.

[Begin Banzer recording] In the first place, I want to categorically deny the reports of cogovernment. There is no intention to cogovern. The ADN has adopted a clear-cut position, a position that I will explain. First of all, we believe that alliances make bad government tools. We saw in our country not long ago that political alliances are good electoral tools, but are bad instruments with which to govern. This is the first point.

The second point is that we will never deny our contribution to the country. If the time comes when the country, I repeat, the country needs us to govern or cogovern we will do it thoroughly. However, this is not the time. We believe that the government can be more effective if it is represented by one rather than two political parties.

Therefore, there is no intention to cogovern, although I know that there is a great deal of speculation concerning this matter. Quite often we are being asked about that possibility by people who are and are not ADN members. However, I repeat, we have not discussed the issue of cogovernment with Dr Paz Estenssoro. Therefore, the party is not considering that possibility. [end recording]

This was a statement by former President General Hugo Banzer Suarez, the current ADN leader.

BRIEFS

NEW TELECOMMUNICATIONS UNION LEADERSHIP -- Victor Lopez Arias, a high-ranking leader of the Bolivian Labor Confederation, last night swore in the new leaders of the ENTEL [National Telecommunications Enterprise] Workers Union. Fausto Araya is the new executive secretary; Ramon Ruiz Gutierrez, secretary general; Benjamin Cadima, public relations secretary; Hermogenes Ramos, secretary for labor conflict affairs; Santiago Rodrigueza, orientation secretary; Susana Pozos, recording secretary; and Rene Vargas, finance secretary. [Summary] [La Paz Red Panamericana in Spanish 0000 GMT 10 Jun 86 PY]

NOBISTOR MERCENARIES SENTENCED; SHIP CONFISCATED

PY241908 Rio de Janeiro O GLOBO in Portuguese 20 Jun 86 p 9

[Excerpt] Judge Julieta Lunz, of the 13th Federal District Court, yesterday sentenced the commander of the Nobistor tugboat, Argentine citizen Eduardo Oscar Gilardoni, to 5 years in prison. U.S. citizen John Dee Early, the leader of the group of American mercenaries guarding the clandestine arms cargo, received a similar sentence. Mercenaries Robert Edward Forti, Steven Warren Hendrick, Frederick Verduin, Sheldon Ward Ainsworth, Julio Raul Rodriguez Larrazabal, Steven Villa Sosa, and Timothy Michael Carmody were each sentenced to 4 years in prison. They were all charged with smuggling and unlawful association.

Judge Lunz ordered that the tugboat be confiscated and that it be commissioned by the Navy Ministry, that the materiel seized on board the tugboat be delivered to the Army Ministry, that two engines of the tugboat be auctioned by the Federal Revenue Servdice, and that the proceeds be used by the Federal Government.

In her decision, the judge stated that "the fact that armed conflicts over land have been taking place in northern and southern Brazil among squatters, farmers, and landowners suggest -- if it does not reflect -- that the arms and ammunition smuggled by the defendants could have been intended for these conflicts." The judge said: One cannot overlook the fact that the seizure of this floating arsenal has coincided with the wave of armed conflicts that has recently been taking place in the country.

NICARAGUAN AMBASSADOR WANTS BURGLARIES SOLVED

PY241425 Rio de Janeiro Radio Globo Network in Portuguese 0300 GMT 24 Jun 86

[Text] Nicaraguan Ambassador Jorge Jenkins met with Justice Minister Paulo Brossard on 23 June. After the meeting, Jenkins said that it is important to find out who burglarized the Nicaraguan Embassy and took some confidential documents early on 18 June. The case is being investigated by Itamaraty and by the Brasilia civil police. The ambassador also said that a handbag with documents was stolen from the residence of embassy adviser (?Mario Duarte) 3 months ago and that police have not yet cleared up the case.

SARNEY FEARS 'HOLY WAR' OVER LAND REFORM ISSUE

PY240336 Sao Paulo FOLHA DE SAO PAULO in Portuguese 20 Jun 86 p 4

[Excerpt] Brasilia -- President Jose Sarney yesterday expressed deep concern over the land reform issue in Brazil, fearing that it will turn into "a holy war between rightwingers and communists." Sarney made this statement to Deputy Carlos Wilson (Brazilian Democratic Movement Party, Pernambuco), the second vice president of the Chamber of Deputies, whom he received in the morning with all the members of the Chamber of Deputies land reform committee at Planalto Palace. The president especifically referred to the emergence of the UDR [Rural Democratic Union], an organization comprising cattlemen and landowners throughout Brazil, as an example of the "radicalization" of the land problem.

In comments to FOLHA DE SAO PAULO, Deputy Carlos Wilson said: "I believe that the president is concerned over the UDR's drive to elect a number of representatives to the national constituent assembly so it can negatively influence the efforts being made by the government and the parties supporting it to institutionalize the land reform process." Sarney did not mention the church, but he described as "ideological" the controversy over the land reform issue. "He (Sarney) said that in Brazil whoever stands for land reform is a communist and whoever opposes land reform is a rightwinger. And this cannot go on any longer," Deputy Wilson concluded.

BRIEFS

RECORD MONTHLY TRADE BALANCE -- According to Foreign Trade Department (CACEX) Director Roberto Fendt Jr, Brazil exported goods worth $2.291 billion while it imported $1.038 billion, which left a surplus of $1.253 billion. According to Fendt, the trade balance surplus of the first 5 months of the year was $5.011 billion, and the accumulated surplus during the past 12 months was $13.283 billion. Both figures represent a record in the Brazilian trade balance. [Summary] [Rio de Janeiro O GLOBO in Portuguese 12 Jun 86 p 23 PY]

BELGIAN DRUG CONNECTIN BROKEN -- Based on information provided by the Belgian police, members of the Federal Police have launched an operation to break up the so-called "Belgian connection" of drug traffickers. On 11 June the police arrested the main members of this ring and seized 100 kg of cocaine that was found packed in swimming pool filters at the Rio de Janeiro Airport. The following persons were arrested: Belgian citizen Edgard Aned Barbe, 47, and Argentine citizens Mateu Sbabo Negri and his son Ivo Daniel Negri. For some years now, this ring has been shipping large quantities of drugs from Rio de Janeiro to Europe. [Summary] [Rio de Janeiro O GLOBO in Portuguese 13 Jun 86 p 7 PY]

FPMR TAKES OVER STATIONS, BROADCASTS MESSAGE

PY241407 Madrid EFE in Spanish 1343 GMT 24 Jun 86

[Text] Santiago, 24 Jun (EFE) -- A commando of the Manuel Rodriguez Patriotic Front [FPMR] today took over two radio stations in Santiago and broadcast a proclamation. According to the radio stations' reporters and announcers, the FPMR members who took over the Mineri and Galaxia radio stations forced the technicians to broadcast a proclamation against the military regime of General Augusto Pinochet. The message of the leftist FPMR was broadcast in its entirety before the police arrived. The transmitting stations of Radios Mineri and Galaxia are located on Providencia Avenue, in the eastern sector of Santiago.

FPMR 'LEADER' DISCUSSES MOVEMENT, GOALS

PA240351 Managua BARRICADA INTERNACIONAL in English 12 Jun 86 p 14

[Text] Nearly 13 years after the military coup which violently ended the long history of Chilean democracy and installed Augusto Pinochet's dictatorship, the people of that nation are increasingly belligerent in demanding their rights and freedoms. The following is an interview with a leader of the Manuel Rodriguez Patriotic Front (FPMR), conducted by Carlos Garat of the Latin American News Agency (ALAI). This armed organization has become one of the main actors in the current struggle.

[Question] How does the FMPR define itself?

[Answer] The Manual Rodriguez Patriotic Front, is a politico-military organization which aims at being the military vanguard of the Chilean people in their struggle for freedom and democracy.

[Question] How does it define itself ideologically?

[Answer] We could classify our ideological position as "Rodriguismo," which has a nationalist, patriotic component. It is pro-Latin American and profoundly democratic.

[Question] But this is the first time "Rodriguismo" has appeared as an ideological tendency. Can you define it more concretely?

[Answer] The fundamental component is reviving the national values with which the Latin American colonies won their independence from the Spanish Crown. These values are an expression of a strong desire for independence and to fight for freedom, and we believe that they continue to be valid in our day -- though naturally under new conditions, since new economic and political phenomena have appeared.

We hope to rescue the values for which our national heroes fought, because they remain in the collective memory of our people, and put them to use in the Chilean people's struggle.

[Question] What are your goals for society? What social, political, and econonic changes will you make if you come to power in Chile?

[Answer] I must make it clear that the FPMR does not hope to take power.

We support the formation of a broad alliance of all democratic forces. Our goal for society is an advanced, participatory, and pluralist democracy. In the international sphere, we envision a nonaligned Chile which gathers the experience of all Latin American peoples in their struggles for independence from U.S. imperialism.

[Question] Is the FPMR a fully formed military organization, or is it in the process of development?

[Answer] I think there are elements of both: as an organization, we have achieved an important degree of development, but at this moment our operative groups are not undergoing a period of growth. We are currently interested in developing a capacity for self-defense in the masses, because we feel that is a decisive factor. But, at the same time, defensive actions force the masses to learn noncivilian methods of struggle, military defense methods. This is how the Front will grow: the conditions for its growth will be created as workers, students, people in poor neighborhoods, etc. develop paramilitary methods; the more politically conscious of the people who come out of this form of struggle will join the FPMR.

[Question] The FPMR isn't the only politico-military organization in Chile. What makes it different from the others?

[Answer] Our organization is unique in that it arose during a period when the military dictatorship was sinking deeper into crisis. Other forces have oriented themselves toward traditional forms of struggle, occupying the political arena granted by the dictatorship, and some spaces won by the social movement. We could say that theirs is an opposition restricted to the framework permitted. We consider this framework too limited, and feel it is necessary to break out of it, giving a military response to the repression. When we speak of military responses, we refer to acts of self-defense or punishment of the enemy, and psychological actions to raise morale and to support the Chilean people's struggle against the dictatorship.

[Question] Is the FPMR the armed wing of the Communist Party?

[Answer] That is the definition that has been publicized by the media, based on the dictator's official statements. We define ourselves as the armed wing of the Chilean people. We are not the armed wing of the Communist Party; our ranks include persons from different political tendencies, and many who belong to no party.

[Question] Do you see the armed actions as the beginning of a popular war? Do you envision the outcome as a confrontation between the FPMR and the Chilean armed forces?

[Answer] Our strategy is one of "national uprising," that is, a general uprising of the Chilean people against the ignominious situation in which they now find themselves. For that reason, we hold that mass participation, both armed and unarmed, is essential. We do not propose prolonged popular war nor other types of war which have occurred in other countries, because the political and social conditions in Chile are different.

[Question] But doesn't this imply the overthrow of the dictatorship by a confrontation between the people and the armed forces?

[Answer] We envision a confrontation between the people and Pinochet and the forces that support him, not the armed forces. We're not seeking a confrontation with the armed forces. On the contrary, our work is aimed at getting the patriotic and constitutionalist sectors of the armed forces to disassociate themselves from Pinochet's repressive actions.

Pinochet's death in an attack would make many people happy because, naturally, it would be a way of getting him out of power. But we feel that this shouldn't be the result of an action by a small, enlightened, but isolated group. The Chilean people must win freedom for themselves, because freedom can be won only through struggle.

[Question] Does the FPMR have a political wing, separate from the military apparatus?

[Answer] There are many parties in Chile concerned with the political leadership of social forces, and we feel that this area is well enough covered. Because of this, we have set out to work exclusively in the military sphere.

[Question] Does this mean that your influence in the political process is reduced to the military level?

[Answer] The FPMR is a very broad organization and the proof is that within the Front there are different political and ideological orientations, the common denominator being the struggle for freedom and democracy. We insist on the unifying aspect of struggle, and we are concerned about sectarian actions by some political parties which emphasize the basest kinds of differences instead of the main problem: the dictatorship.

[Question] What is your opinion of the National Agreement for the transition to democracy?

[Answer] In our judgement, the Agreement is an important advance for the opposition forces and is an element which marks the political moment. But it must be emphasized that there are important forces, social and political sectors, which are not represented. Although the Agreement is an advance, it doesn't consider, for example, the punishment of those guilty of creating the country's current situation.

[Question] If the signers of the National Agreement demand that the FPMR lay down its arms as a condition to arriving at a broader agreement, would you be prepared to negotiate or talk on that basis?

[Answer] We believe that it is necessary to propose the immediate replacement of the Pinochet government with a democratic regime. And we believe that this objective is unavoidable, because not to do so would be to ignore the Chilean social situation.

[Question] You said that the Front has members with different political and ideological leanings. Is there also pluralism in the leadership, is it ideologically homogeneous?

[Answer] There are Christians, freethinkers, Marxists, etc., in the FPMR's national directorate, and these currents form part of our movement because they are part of Chilean society.

But we also have many members of the army, the navy, and the air force, who were expelled by Pinochet. They have joined the Front, bringing their professional training with them. We see no contradiction whatsoever in pluralism, because we aim to be an expression of the militarily organized Chilean people. All those who want to fight with a gun in their hand have a place in our organization: those who do not agree with the armed struggle also have a place in the struggle against Pinochet. Consistent, active nonviolence, for example, is very effective and has a reproductive effect, although we feel that, by itself, it is insufficient.

FREIGHT TRAIN SUFFERS BOMB ATTACK, NO INJURIES

PY241800 Buenos Aires TELAM in Spanish 1713 GMT 24 Jun 86

[Text] Santiago, 24 Jun (TELAM-ANSA) -- A freight train was attacked today on the outskirts of Coronel, a town 560 km from Santiago. A powerful bomb placed on the tracks destroyed 7 freight cars and 200 meters of track.

According to a report from the railroad enterprise, the violent explosion derailed and destroyed 7 of the 24 carriages that were carrying cellulose. The report added that the driver and crew were not hurt.

RADICAL PARTY LEADER ELECTED SI VICE PRESIDENT

PY241439 Santiago Radio Chilena in Spanish 2300 GMT 23 Jun 86

[Excerpt] Enrique Silva Cimma, president of the Radical Party [RP], has been elected vice president of the Socialist International [SI] at the 17th SI Congress that will end tonight in Lima. Silva Cimma will replace his fellow party member Anselmo Sule, who will continue to perform his duties as PR vice president abroad.

Some political sectors regard Sule's replacement by Silva Cimma as dangerous for the PR.

PR Secretary Ricardo Navarrete made the following comments to Radio Chilena:

[Begin recording] In a plenary of the SI Congress in Lima it was decided yesterday that PR President Enrique Silva Cimma will be a new SI vice president. As is known, the PR was assigned a vice presidency at the SI Congress held in Geneva in 1976. This post has been held by fellow party member Anselmo Sule, who will continue to perform his duties as PR vice president abroad in accordance with the decision made by the last PR national convention in June 1985. [end recording]

WAVE OF VIOLENCE SWEEPS COUNTRY; 11 DIE

PY241258 Paris AFP in Spanish 0401 GMT 24 Jun 86

[Text] Bogota, 23 Jun (AFP) -- In a new wave of violence that swept this country today, seven guerrillas, three policemen, and one civilian died in several attacks and clashes. Some 20 people have been reported injured.

In the northeastern Provice of Antioquia, police killed three terrorists who had just murdered a miner, and a policeman was reported killed in the same area. In the northern Province of Cordoba, one person died and five others were injured in a struggle for predominance between two terrorist groups.

In Meta, in eastern Colombia, three terrorists and a policeman died in a shootout, while in Cali, as yet unidentified people stabbed a policeman to death.

It was reported that six of the seven terrorists who died were members of the Colombian Revolutionary Armed forces (FARC, communist), and that the seventh was a member of the People's Liberation Army (ELN, pro-Castro).

In the meantime, in the densely populated neighborhood of La Victoria, in southeastern Bogota, some 10 presumed guerrillas attacked a small police barracks and a bank, where they seized $60,000. The attackers used machine guns and grenades.

Four policemen, a plainclothes guard, and several bank clients were wounded during the attack. An impressive dragnet operation followed the action

'NEW' GUERRILLA GROUP HOLDS UP MAGDALENA BANK

PA201504 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 20 Jun 86

[By Carlos Garcia]

[Text] Santa Marta -- A group of armed men presumed to be members of a new guerrilla organization held up a Banco de Bogota branch office in Cienaga, Magdalena Department, taking 17 million pesos with them.

The men, who claimed to be members of the "ITC" [not further identified], a new and so far unheard-of guerrilla organization, entered the bank, momentarily seized the manager and secretary hostage, stole at least 17 million pesos in cash, and fled in three waiting vehicles. The police said that the bank robbers were apparently able to get out of town.

SUSPECTS ARRESTED IN ATTACK AGAINST MINISTER

PA242113 Bogota Television Service in Spanish 1730 GMT 24 Jun 86

[Excerpt] The Santander Department Intelligence Services have confirmed the arrest of three men and one woman as alleged accomplices in the attack against Government Minister Jaime Castro. The security office reported that the woman studied in (Invesco) and that she is a active M-19 leader They were brought to Bogota to determine if they were indeed accomplices.

Here in Bogota, civil, church, and military authorities have concluded the plan to provide security for Pope John Paul II during his upcoming visit.

ATTORNEY GENERAL RELEASES JUSTICE PALACE REPORT

PA242312 Bogota Television Service in Spanish 0000 GMT 24 Jun 86

[Excerpt] On Saturday, Attorney General Carlos Jimenez Gomez released his anticipated report on what happened at the Justice Palace last year. Jimenez asked that President Betancur and defense Minister Miguel Vega Uribe be tried on charges presented by the Chamber of Representatives' accusations commission.

The attorney general's investigation of the occupation of the Justice Palace has shed more light on the controversial episode. These are the main points stressed by the attorney general in his report released over the past weekend.

The attorney general has indicated that the government was perplexed, without timely information, limited in some cases to radio broadcasts only. He added that the initiative at all times originated with the military, who acted rapidly from the very outset, ordered the tanks' entrance into the palace, failed to do anything effective to rescue all the hostages, and relegated the civilians to the background.

Jimenez reported the scarcely technical and hurried way in which the bodies required as evidence were treated. In this he agreed with the special tribunal. He disagrees with the tribunal, however, regarding the cafeteria employees who have been reported missing and the death of driver Medina Caravito. The tribual has requested an investigation, while the attorney general's office explains away the death's causes and circumstances. The two reports agee that drug traffickers' interests had nothing to do with the occupation of the palace. Also, the reports admit that the paticipation of Nicaraguans in the event has not been proven. The attorney general has indicated that fire aggravated the situation at the palace because it presumably hastened the deaths of hostages and reduced the area of combat.

The attorney general's most important remarks have to do wtih the treatment of civilians who did not participate in the confrontation The investigation has not produced any evidence that a serious effort to rescue them was made. Based on this staement, the attorney general has requested that the president and the defense minister be tried for a possible violation of the Law of Nations.

REPORTAGE ON ARRIVAL OF DOMINGO LAINO IN ASUNCION

Laino, Robert White Beaten

PY242139 Asuncion Radio Primero de Marzo in Spanish 2107 GMT 24 Jun 86

[Report by Victor Alderete from the President Stroessner International Airport]

[Text] Just as we have reported, Domingo Laino has arrived but remains inside the Pluna [Uruguayan National Airlines] plane here at the international airport because he has not been allowed to get off the plane. Laino was accompanied by former U.S. Ambassador to Paraguay Robert White and Uruguayan Deputy Roberto Sasiain.

Serious incidents broke out inside the plane when police forces entered the plane. According to Robert White and the Uruguayan Deputy, Domingo Laino was brutally beaten by the police. But let us here what they have to say.

[Begin recording] [White] Yes, they beat him. They beat him brutally. He sustained injuries to the ribs. [slogans in favor of democracy; noise, and applause heard in background] (?His wrist is also bruised).

[Reporter] So they beat him?

[White] Yes, they beat him. We were all beaten.

[Reporter] You too?

[White] Yes, me too. They also beat Uruguayan Deputy Roberto Sasiain.

[Sasiain, interrupting] I am Roberto Sasiain, president of the International Affairs Commission of the Uruguayan Chamber of Deputies.

[Reporter] [Question indistinct]

[Sasiain] Yes, I can assert that all those present here were savagely taken off the plane by the security personnel who boarded the plane under the command of a man who identified himself as Pastor Coronel [chief of the Asuncion Police Investigations Department] and another man who identified himself as Alberto Cantero [chief of the Asuncion Police Investigations Department Political Section]. They headed the operation during which we were brutally beaten.

Domingo Laino was beaten even more brutally than we; he fell to the floor and his ribs were bruised very badly. [slogans calling for the return of democracy and shouting and applause heard in background]

We shall inform the international public about this incident, and now we shall meet with all the members of the National Accord to express our solidarity to a people who are struggling to recover democracy.

[Reporter] Mr White, did you [word indistinct] proceedings so that Laino may enter the country?

[White] We will do everything possible. But they have refused to [as heard] they have not allowed him to enter the country. They beat him, and as was stated by the Uruguayan deputy we ourselves were brutally beaten by two men, two men...(?with) Pastor Coronel.

[Reporter] Your presence here is interpreted by the government as interference in domestic affairs.

[White] Look, in the human rights field there are no national boundaries. This issue is at the international level. International rights state that human rights affairs...[interrupted by unidentified speaker who says: human rights have no borders] That is right, it has no borders. Moreover, there are OAS and United Nations treaties in this regard (?which state) that any person, any citizen has the right to enter his country.

[Reporter] (?Will you submit a report on this incident)?

[White] Yes, of course.

[Reporter] Where is Laino at this time?

[White] He is in the plane, that is I believe he is in the plane, that he is still in the plane...

[Reporter, interrupting] What do you believe are his immediate plans?

[White] Well, I do not know. I believe that he will return to Uruguay.

[Sasiain] He plans to return immediately to Uruguay and hold a press conference with the [word indistinct]. He held a press conference before his departure from Montevideo.

Moreover, we would like to note that the Uruguayan minister counsellor in Paraguay, (Ulido), who tried to enter the airport to welcome us as is done in any civilized country when a representative of the people, as is my case, arrives in a country, was not allowed to enter the room where we were. Moreover, we have all witnessed this savage repression to which we have been subjected.

[Reporter] In your capacity as a national deputy, will you submit the pertinent report to the Uruguayan Congress?

[Sasiain] Undoubtedly so, I am also accompanied by Deputy (Oscar Lopez Valeza), of the National Party, which is the Uruguayan opposition that is peacefully struggling for the recovery of democracy.

We are here to defend the right to life, the right of Paraguayans to freely express themselves; but we were subjected to an aggression.

Here peace does not prevail, brutality prevails. This happened when we landed on Paraguayan soil, and it was carried out by those we have just mentioned.

[Reporter] What will be your [words indistinct] in Paraguay?

[Sasiain] We have not made any plans yet. We should meet with the U.S. delegation that is accompanying the Uruguayan deputies and we shall draft an agenda within a couple of hours.

[Reporter] What is Laino's (?situation)?

[Sasiain] We have no news about him. Laino is inside the plane at this time which is filled with dozens of security personnel who beat him, therefore there is no guarantee for to his well-being at this time.

[Reporter] Will the Uruguayan Foreign Ministry submit any complaints in this regard?

[Sasiain] I am here on a personal basis in my capacity as a Uruguayan deputy. We shall inform our Foreign Ministry of everything that took place when we arrive at the embassy.

[Reporter] Where are you heading now? [recording cut off]

Police Troops Mobilized

PY242130 Asuncion LA TARDE in Spanish 24 Jun 86 p 10

[Text] An intensive mobilization of police troops could be seen this morning near President Stroessner International Airport. Public transportation servicing the airport was detoured by forces of order and forces of the political police deployed in the area, probably due to the upcoming arrival of Domingo Laino in our country. The government has reiterated that the exiled politician will not be allowed to return.

In fact, the presence of police groups could be seen from early morning at the airport and also on the highways leading to the airport, especially on Generalisimo Franco, San Martin, and Madame Lynch Avenues. In this regard, it should be mentioned that the strong vigilance began on Monday, when the forces of order were deployed.

In San Lorenzo, beginning at the Public Works and Communications Ministry, police agents have been checking buses and private vehicles driving in the area. Apparently, this surveillance is a result of a report which said that Domingo Laino would secretly enter the country.

Today, however, the police deployment increased considerably, with patrols doubling in some sectors. Laino will try to return to the country today at 1400, on a Pluna flight. He is being accompanied by a delegation of U.S. politicians.

Laino Leaves for Uruguay

PY242231 Asuncion Radio Primero de Marzo in Spanish 2140 GMT 24 Jun 86

[Relay by reporter Victor Alderete from President Stroessner International Airport]

[Excerpt] Thank you, very much. We again report from President Stroessner International Airport to inform you that the Pluna airline jet that transported Domingo Laino and his entourage [to Asuncion] took off a few minutes ago, bound for Montevideo.

As reported by his entourage, which accompanied him and stayed in Asuncion, the exiled Paraguayan politician Dr Domingo Laino will give a press conference at Carrasco international airport in Uruguay.

SALDIVAR NOTES 'FRUITFUL' RELATIONS WITH BRAZIL

PY240324 Asuncion EL DIARIO in Spanish 22 Jun 86 p 13

[Text] Foreign Minister Carlos Saldivar has described Paraguayan-Brazilian relations as "fruitful." He added that Brazil has expressed renewed interest in the production railroad [ferrocarril de la produccion -- railroad connecting Paraguayan Alto Parana region with southern Brazil up to Paranagua port]. He also said that from now on there will be border commissions that will operate between Pedro Juan Caballero [Paraguay] and Ponta Pora [Brazil] and between Salto del Guaira [Paraguay] and Guaira [Brazil].

Saldivar returned yesterday from Brazil, where he met with President Jose Sarney and had a working meeting with his Brazilian colleague, Foreign Minister Roberto de Abreu Sodre. Saldivar left for Brasilia on 19 June accompanied by Miguel Angel Bestard, foreign ministry political planning adviser, and Jesus Maria Gutierrez, foreign ministry protocol department deputy director.

Upon his departure from the President Stroessner Inernational Airport with the members of his entourage, which also included top-ranking Itaipu Binational Company officials, the foreign minister talked with the press about his activities in Brasilia. Foreign Minister Saldivar said that "this was a scheduled trip and we followed an established agenda." He added that "all management departments of the Itaipu Binational Company held a meeting," and that he had the opportunity to meet with Brazilian President Jose Sarney.

Saldivar also reported that during his meeting witdh the Brazilian president he handed the president a personal letter from Paraguayan President Alfredo Stroessner. He also noted the prevailing good relations between our two governments within the framework of which the two governments are undertaking important bilateral projects. Speaking about the situation of the Itaipu Dam, Saldivar said that "we believe that it is advancing on schedule." He added that "Itaipu is a reality and now it has entered a very important stage for a hydroelectric dam."

Regarding the production railroad project, the Paraguayan foreign minister said that "we are certain that it will be carried out, because Brazil has renewed its interest in this project." He thus encouraged the continuation of the negotiations aimed at carrying out this joint undertaking.

Saldivar said that "an agreement was signedto establish two border commissions." He noted that the commissions will be operating in Pedro Juan Caballero and Ponta Pora and in Salto del Guaira and Guaira. Saldivar added: "These border commissions will operate within the same framework being used by those commissions established in Ciudad Presidente Stroessner [Paraguay] and Foz de Yguazu [Brazil], which are yielding positive results because they are helping to solve regional problems.

GARCIA ADDRESSES NATION ON PRISON RIOTS

PY250340 Lima Television Peruana in Spanish 0122 GMT 25 Jun 86

[Message to the nation by President Alan Garcia Perez from Government House in Lima -- live]

[Text] During the past few days the country and the world have been shaken by the serous incidents that took place in the Peruvian prisons. In my capacity as president of the Republic I am fulfilling my duty to address the nation and explain the objectives of the government's actions and what consequences we should expect.

We are all aware of how terrorism and subversion, taking advantage of our democracy and the tools which democracy provides, have advanced to the point of becoming permanent news and a threat to the peace of all citizens.

Taking advantage of the fact that an international congress was being held in Lima, subversive elements seized three prisons, taking hostages and seizing arms. THey were getting ready to blackmail the government and impose negotiations which would place the democratic state and terrorists on the same level.

The government clearly answered that there was nothing to negotiate with those who must wait to be sanctioned only by the law and, during a ministers meeting, decided to act to restore order and reestablish authority. In the first place it decided to urge the rioters to give up their position and, should it be necessary, resort to the full force of the law and the energy of the tools which democracy has at hand.

The government cannot allow prisons to be considered free territories. There have already been too many riots and excesses, abusing our democracy's generous tolerance. The government now plans to act firmly, because without authority there cannot be democracy. Therefore, we are not talking about the principle of authority and order which the dictatorships always invoke. We are not talking about priviledges and injustices. We are talking about the authority of the government elected by the people. As a consequence, the Armed Forces Joint Command was ordered to coordinate actions in order to reestablish order and authority; that is why I want to begin by saying that the Armed Forces Joint Command has fulfilled the order received from the constitutional government with loyalty, and we supported its actions. At this point, I must note that three Marines died and more than 20 members of the Armed Forces were wounded during these actions. Two officers were seriously wounded. In fulfilling the government's orders they clashed with a carefully organized resistance, a resistance that used the prison building which had been remodeled to the point of building underground galleries, such as the case of El Fronton prison. As is public knowledge, the inmates at El Fronton were armed with various weapons and instruments with which they resisted the security forces for many hours.

The government supports the strict use of the law. This strictness will abide by the law should new incidents such as the ones we have just experienced take place again. Democracy means authority, and if anyone should oppose resistance to the law, to the authority, or to the state tools, he should be fought with all the force allowed by the law. Therefore, I repeat that the state supports the actions carried out by the Joint Command in these incidents which have been in keeping with the law fulfilling an order of the democratic authority. As a consequence, after reiterated negotiations in El Fronton, the security forces used their weapons energetically, meeting a strong resistance which compelled them to strengthen their actions. This is supported by the government, because the orders given by the government elected by the people must be respected. Authority was restored in El Fronton prison after 35 rioters surrendered.

Their lives were religiously respected, because the limit of the force of the law is the law itself.

Therefore, the appropriate rights were guaranteed to those survivors who did not oppose any resistance.

In the case involving the Lurigancho Penitentiary, the Republican Guard forces encountered resistance with firearms and explosives. This caused the force of order to act energetically. They used their weapons, causing a regrettable and painful death toll, which was the terrible but inevitable result of the action. All this was approved by the nation and abides by the law and the energetic actions are also abiding by the law.

However, I am now addressing the nation as president of the Republic to tell you that when rioters surrender, unarmed, and with their hands up and are still annihilated, that is not abiding by the law. By the same principle of authority by which we strictly defend order we must limit and condemn excesses.

We support the strictness of the action ordered by the Joint Command. However, what has gone beyond this action, what happened after the surrender at Lurigancho Penitentiary can only be considered a crime about which I will not be silent.

As a result of the initial investigations it became clear that at the Lurigancho Penitentiary a yet undetermined number of inmates, perhaps 30 or 40, were annihilated and executed by members of the Republican Guard after they had already surrendered and were already outside the cell block.

As the president of the Republic, I support and approve the firm and energetic use of weapons, and I announce that they will be according to regulations from now on. However, as the president of the Republic I do not support or approve excesses, criminal and instinctive revenge. The forces of the law must be beyond instinctinve and brutal reactions. This is the only way they will be fully entitled to use the full force of the law.

I support the Joint Command's action of using weapons firmly, but I do not support -- quite the contrary, I denounce -- those who have committed murder, something that goes beyond all orders issued. Should I not make this report to the country, I would not be fulfilling my historic responsibilty, I would not be fulfilling my role as president of all Peruvians. This is why I have ordered the imprisonment and trial of the chiefs, officers, and troops of the Republican Guard who brutally annihilated the subversives after the latter had surrendered. No one will be able to silence me because this is the cry of democracy and law. This is the cry of authority determined to be severe without trampling mankind's standards.

However, this does not mean giving the terrorists the right or being weak regarding subversion. It is just recognizing the law and the right to life.

I know that my position involves risks and this is why I am addressing the nation. I also know that I must address myself to the nation's conscience and not to the momentary passions. Passions and instincts may overwhelm the masses, but a governor cannot be enslaved by passions. A governor must be able to address his people's reason.

I know that the majority of the nation approve the action carried out recently because it is fed up with crime and the subversives' insolence.

I know that the majority supports the strong attitude of the government to restore order. I know that the majority approves the use of force so that the subversives learn that Peru also knows how to defend its institutions. I also approve all this. And I reject the comfortable position of those who believe that one has to negotiate with those who have just spread death throughout Peru. I reject the easy condemnations of those who now say that too much force has been used and believe that terrorism can take possession of the prisons, blackmail society, and mock democracy without the state affirming its authority.

I believe, as does the majority of the nation, that the action had to be energetic. However, among that majority there are some people who say that any excesses were necessary and that beyond the use of the law one must accept the annihilation of all those who surrendered.

But I am against this. I say that this is a crime because this is a blind, instinctive argument that is a barbarity.

As president I could be silent and support with my silence the majority that supports this. But I have to be beyond instincts and differentiate between what must be supported and what must be condemned so that it will never happen again.

Subversives and Shining Path members may act savagely by perpetrating treacherous killings, harassing the people, and raping. We must act firmly, but we should not answer them with their same rules because ours is not a society of savages. The state must be firm and be as decisive as never before, but if amid these actions someone is allowed to commit excesses and to act savagely, then we would lack all moral authority in the future.

All the tools granted by the law must be energetically used, but when someone has surrendered and is lying still, no matter how evil and demented he may be, human law and the law of Christ compel us to respect him. Of course we want to kill them, to eradicate them, but this is why we live within the framework of the law. Therefore, let the law, not our passion, govern us.

If I as president allow this to become a bloody orgy, taking advantage of the force the government decides to use, I shall have opened in Peru the doors of the law of the jungle. It is because of this that I cannot cover up. I cannot remain quiet. I cannot remain silent. It is my duty to report and be the first citizen to point to those who commit excesses with the law.

Some will say that by punishing these excesses we are undermining the morale of the forces of order and that on another similar occasion the forces of order will believe that they are not supported by the government and that they will be unable to act as they have done in the past few days. But that is not true. I have already congratulated the Armed Forces Joint Command for loyally fulfilling a government order.

I hereby announce that we shall continue to act firmly but within the framework of the law. Those who believe that by avoiding excesses we are stripping the forces of order of their moral authority are tremendously wrong, because the struggle against terrorism has not ended, it has just begun. If we are to act against terrorism and with increasing firmness and severity, we cannot commit mistakes or excesses. We cannot have barbarism.

The law is harsh but calm. It is our role to struggle and to punish but without resorting to instincts and to the adoption of blind attitudes.

The power of the forces of order does not lie in their rifles, or cannons. The power of the forces or order lies above all in the law and in the fact that they represent the authority of the people.

This address has two objectives: to reassert the government's conviction that it will act firmly and support the force that was used; and to inform you that we have decided to denounce and punish those who have violated the nature of the law. We are not doing this out of weakness, we are doing it because of the moral force of the law. The majesty of the law is not instinctive vengeance.

By making this denunciation, Peru and the world will know that Peruvian democracy defends itself; that Peru will defend itself from violence with arms and with force; but within the framework of the law. This is our historic power to be able to succeed over barbarism. This is the moral strength that will allow us to lead the country to justice, freedom, and security.

So that we may achieve these objectives and because of them, we need to unite ourselves against terrorism. During these dramatic and difficult hours, I call on the unity of the nation against subversion. This does not mean that I am proposing a meeting of our leaders. Our daily living within a democratic framework means that our political activities and that of other institutions are united against terrorism.

The unity of the nation must be a courageous attitude adopted by each citizen so that terrorism and its publicity oriented activities do not alter our existence; so that our media does not show case terrorism; so that we do not allow terror to enter our houses.

The state struggles against terrorism and it will continue to do so with the support of all Peruvians, in a firm, and energetic manner; but within the framework of the law.

Thank you very much.

Navy Minister on Riots

PY241734 Lima Panamericana Television Network in Spanish 0300 GMT 24 Jun 86

[Text] Navy Minister Vice Admiral Julio Pacheco Concha Hubner has revealed that his force lost 3 men with 16 others injured during the confrontations in El Fronton Prison. It is still not known how many inmates died during the riots, but so far six bodies have been found and buried, he said.

[Begin recording] [unidentified reporter] Vice Admiral, there are many different reports about the number of dead as a result of the riots. Could you tell us exactly how many people died during the military intervention in El Fronton?

[Pacheco Concha] During the military intervention? We found six bodies in El Fronton. They have already been buried. However, there are more bodies under the rubble, but we have still not been able to find them. We are removing the rubble to try to find them.

[Reporter] Given the number of inmates in the British wing of the prison, how many of them do you believe may be under the rubble?

[Pacheco Concha] Unfortunately we do not know the exact number of prisoners who were in El Fronton when the incidents occurred. It is calculated that there could have been about 160 prisoners in El Fronton, of which 29 surrendered, and then we found 6 bodies, so we believe that there may be about 100 or 120 more bodies.

[Reporter] Minister, what do you think of the government's decision to order an investigation into the possible excesses committed while handling the riot?

[Pacheco Concha] I believe that an investigation is always useful and beneficial because it tries to discover the truth. Therefore, the Navy believes that the government is correct in wanting to clarify to the world the events that happened in the different prisons.

[Reporter] Did the Navy commit excesses?

[Pacheco Concha] I do not believe that the Navy committed any excesses.

[Reporter] So your ministry is willing to help in the investigations?

[Pacheco Concha] As I just said, of course it is our duty to do so.

[Reporter] Has a time limit been set for the result of the investigations?

[Pacheco Concha] No, according to what I read in the communique, no time limit has been set. However, I am sure that the results will be known as soon as possible because it is convenient that the truth be known as soon as possible.

[Reporter] How many people did the Navy lose in these actions?

[Pacheco Concha] Well we lost three crew members who have already been buried. Two officers were seriously wounded and they have undergone surgery; 16 other crew members were wounded. Therefore, more than 20 men were hit by the inmates firing from under cover in the blue wing and in the nearby area.

[Reporter] Mr Minister, it is said that the military actions to handle the riots were mistaken. However, it is also said that this was the only alternative the government had. What do you think?

[Pacheco Concha] Well, there are always alternative ways to handle a problem. There will always be different solutions to a problem. The government adopted a decision to solve the problem, preserve democratic order in the country, and preserve the government which must rule [word indistinct] executive branch.

[Reporter] Do you think that the actions undertaken were the only way to recover the so-called principle of authority?

[Pacheco Concha] I think so, yes, definitely, because another alternative would have been.... [changes thought] Well, you yourselves were witnesses to the actions that occurred before the confrontation. You saw how we tried to solve the problem before arriving at this. However, the inmates did not accept our proposals. We entered El Fronton Prison and were shot at by the prisoners who were perfectly hidden. We suffered casualties. You cannot establish dialogue with these people.

They killed some of our men. I am not being revengeful. We simply had to get in to stop the riot. They were well armed and hidden.

(?You must understand that at this moment), the terrorist actions are following a timetable which I do not think they will modify, even after this repression.

This was part of their plan, they planned a riot in the prisons. This was totally prepared by them. I do not know their purposes, but they believed that they could provoke a riot to discredit the government and to demonstrate its weakness.

The government is not weak. It has simply put things into place. The government has to rule. Otherwise, it is not a government but a misgovernment, and the people have not voted for this. A misgovernment will not be allowed. [end recording]

MRTA OCCUPIES 4 NEWS AGENCIES IN LIMA

PY231927 Madrid EFE in Spanish 1822 GMT 23 Jun 86

[Text] Lima, 23 Jun (EFE) -- In Lima today, several commandoes of the terrorist Tupac Amaru Revolutionary Movement (MRTA) seized the offices of the news agencies AGENCE FRANCE PRESSE, REUTER, ANSA, and DPA forcing their personnel to transmit messages criticizing the Peruvian Government.

At the REUTER office, four armed men and one woman behaved courteously before leaving the office in downtown Lima. There were no incidents during the terrorists' 20-minute stay at the office. Before they left, the MRTA commandos painted their acronymn and other slogans on the walls, something they also did at the other agencies.

At the ANSA office, heavily armed terrorists overwhelmed three policemen of the antiterrorist directorate on duty at the office. One of the agency editors "interviewed" one of the terrorists. The office is located in San Isidro.

At the DPA office, the Tupac Amarus forced the employees to transmit an antigovernment message. They left after painting slogans on the walls.

The same thing happened at the AGENCE FRANCE PRESSE office, also in downtown Lima, where 3 men and one woman stayed for over 30 minutes.

Forced To Transmit Message

PY231752 Buenos Aires TELAM in Spanish 1724 GMT 23 Jun 86

[Text] Lima, 23 Jun (TELAM-ANSA) -- The local branch of the Italian news agency ANSA was occupied today by a Tupac Amaru Revolutionary Movement commando group which forced the chief editor to transmit a message entitled: The Truth About Peru. In this document the MRTA accused the American Popular Revolutionary Alliance [APRA] government of carrying out on 18 June a horrible massacre of prison inmates who had been charged with terrorist activities and who were asking to be regarded as political prisoners.

According to the paper, the massacre carried out by the Armed Forces with the government's consent is an unprecedented act of bloodshed in Peru, especially since it has been proven that the inmates had called for a dialogue.

After describing the government's reaction to this request as a horrible raid and massacre, the communique, which ANSA carried under terrorist pressure, emphasized that the real objective was to annihilate the prisoners because after the armed forces regained control of the prisons, they started finishing off wounded inmates and executing the survivors.

FALSE BOMB THREAT DELAYS DEPARTURE OF TWO PLANES

PY241945 Madrid EFE in Spanish 1844 GMT 24 Jun 86

[Text] Lima, 24 Jun (EFE) -- A plane of the Peruvian State Airlines, Aeroperu, and another belonging to the Soviet Aeroflot Airline that were supposed to leave Lima today had to delay their departures due to false bomb threats on both planes.

An anonymous voice phoned the Lima Jorge Chavez International Airport announcing that bombs had been planted in the aricraft.

The alarm was declared false on the Aeroperu plane, which was on an internal flight, and on the Aeroflot plane, which was bound for Moscow.

The two aircraft were taken to the "black zone" of the airport where the fuselage and luggage compartments were checked. The Aeroflot plane left after a 2-hour delay.

POLICE SEIZE 32 TONS OF COCAINE, PLANES

PY210333 Madrid EFE in Spanish 0408 GMT 20 Jun 86

[Text] Lima, 19 Jun (EFE) -- As a result of three antinarcotics operations that the Peruvian police carried out in the Amazon Jungle, 32 tons of cocaine base were seized and 19 clandestine landing strips taken. The police also confiscated five small planes that were used to take the narcotics out of Peru using clandestine landing strips in the jungle. Eight machine guns and four laboratories used to manufacture cocaine hydrochloride, that is pure cocaine, were also confiscated.

This information was supplied by Julio Merino, commander of the fifth regional branch of the Peruvian Investigative Police [PIP] headquartered in Iquitos, capital of the Peruvian Amazon region. The report was published by the newspaper LA REPUBLICA today.

The high-ranking police officer said that drug consumption has been growing in Iquitos lately, especially among youths aged 14 through 20; however, there are also consumers among 9-year-old children.

LUSINCHI CONGRATULATES SPAIN'S FELIPE GONZALEZ

PA241457 Caracas Television Service in Spanish 0000 GMT 24 Jun 86

[Telegram to Spanish Prime Minister Felipe Gonzalez from President Jaime Lusinchi, dated 23 June]

[Text] Your Excellency, Prime Minister Felipe Gonzalez

Madrid

My dear prime minister and friend:

Allow me to express the great satisfaction that we have felt in Venezuela over your victory and that of the PSOE [Spanish Socialist Worker's Party] in yesterday's elections in Spain.

The election returns not only reiterate the democratic wish of your great country, but also its will to continue the process that you began and lead, which has greatly contributed to consolidating Spain's image and to further linking it to the Latin American nations.

I reiterate, Mr Prime Minister, our warm sentiments of friendship and personal esteem and wish you success in the new government term you begin now.

Cordially, [signed] Jaime Lusinchi, president of Venezuela

BRIEFS

NEW AIR FORCE COMMANDER -- The change of command ceremony for new Air Force Commander Division General Ramon Enrique Mendoza Ibarra was held at the Francisco de Miranda Air Base todayl He receivd the command from Defense Minister Rear Admiral Andres Eduardo Brit Martinez. Division General Raul Nicolas Fernandez Hernandez, who had been Air Force commander until now, has been appointd inspector general. [Summary] [Caracas Television Service in Spanish 0000 GMT 24 Jun 86 PA]

PETRICCIOLI SAYS NATION WILL NOT CALL MORATORIUM

PA242031 Mexico City XEW Television Network in Spanish 1300 GMT 24 Jun 86

[Excerpt] Finance Secretary Gustavo Petricciolí said yesterday that Mexico will not resort to a moratorium, but will not be able, either, to meet the servicing of its foreign debts under the terms previously agreed to with the international financial community.

During his first appearance before the country's medis, the finance secretary referred to the new challenges faced by Mexico in view of the brutal drop in oil revenues. Petricciolí announced the new support and growth program that has been launched to prevent a sharp slump in the nation's economic growth.

For his part, Carlos Salinas de Gortari, programming and budget secretary, noted that the support and growth program is aimed at achieving a growth rate of between 3-4 percent during 1987-88. Our colleague Juan Francisco Castaneda will now give you the details on this very important information:

[Begin recording] [Castaneda] Finance Secretary Gustavo Petricciolí has asserted that Mexico cannot continue making the payments service the foreign debt under the terms already agreed to.

[Petricciolí] We have always acted reponsibly as a sovereign nation in facing our challenges, but Mexico cannot be expected to absorb the full drop in oil revenues. This would not just entail an additional internal adjustment, but outright strangling.

[Castaneda] The finance secretary said that it is necessary to take steps to modify the renegotiation terms.

[Petricciolí] We will begin with the national needs, priorities, and objectives, not with what the creditors are believed to be willing to grant. This requires that the basic principle [premisa] in the foreign negotiation be a firm and resolute agreement with the creditors to adjust the servicing of the debt to the economy's actual ability to pay.

[Castaneda] Petricciolí added that Mexico has compled with its creditors. He said that there are two extremes in the payment of the debt: one, to fulfill the terms already agreed to; and, two, the moratorium. He made it clear, however, that neither of the two extremes is the right course to follow, but a number of alternatives and options that are in between should be chosen. The finance secretary also talked about our monetary reserves and said: We are not going to exhaust them in a futile effort, which would imply downgrading even further the living standards of the Mexican people.

[Petricciolí, in progress]...neither are we prepared to sacrifice these reserves. We will defend our reserves.

[Castaneda] The debt renegotiation is a particularly sensitive matter, and we will begin this shortly, said Petricciolí. He noted that we are not experiencing an emergency like the one in 1982. Regarding the drop in oil prices, he said that this was not an addition to the problems we were already confronting, but a new crisis that raised the need for changing course in our strategy, which allowed us to grapple with challenges firmly and with political capacity.

Had oil prices not dropped, we would have consolidated this effort this year, Petricciolí said, adding that, however, the revenues we have lost this year are equivalent to the full amount of the government's payroll [nomina]. For this reason, the country does not have the capacity to absorb the full amount of the drop in oil prices, much less over a short period of time; and even less because our economy will not be able to grow this year. Furthermore, there will be a drop in production, and no progress has been made in the debt renegotiation during the last 5 months.

The finance secretary noted that this challenge calls for a new attitude abroad and domestically. He made it clear that no attempt has been made to transfer the cost of our problems to foreign countries.

The De la Madrid administration is determined to keep the Mexican economy from slumping into a depression despite the terrible drop in oil prices, Petriccioli said, adding that forecasts indicate that if we do not act with determination the slump will be sharp, and we will cross the dividing line between recession and depression.

According to the finance secretary, the government's current goals are: 1) to proceed to modify the terms of the renegotiation of the foreign debt; 2) to advance in the strengthening of public finances; 3) to open the door to essential public investments; and 4) to defend real wages.

The new crisis demands changes in priorities and makes it imperative to make fiscal policies consistent with the new reality, Petriccioli said, adding that it demands that we intensify the adjustments in tax administration to allow us to reduce tax evasion and elusion over a short term. He said we must also pursue a realistic policy regarding prices and rates. [end recording]

BANKS WILLING TO GRANT NEW LINES OF CREDIT

FL241412 Mexico City NOTIMEX in Spanish 0000 GMT 24 Jun 86

[By Roberto Gonzalez Perez]

[Excerpt] New York, 23 Jun (NOTIMEX) -- Today commercial banks reiterated their willingness to grant new lines of credit to Mexico as long as Mexico signs an agreement with the IMF first.

This afternoon a spokesman for the committee of 13 international banks, which is handling Mexico's foreign debt negotiations, said that commercial banks had approved a revised loan for Mexico amounting to $2.750 billion weeks ago. This amount has been requested from commercial banks in accordance with the strategic line followed by Mexico with various institutions in obtaining lines of credit amounting between $6.350 and $6.650 billion for 1986.

It is believed that once an agreement with the IMF is reached, Mexican foreign debt negotiators will immediately begin talks with New York bankers to obtain some concessions, the reduction of high interest rates among them.

He said: We agree that Mexico's situation is a very special one, and we will hold talks under those circumstances.

The international banks committee also reiterated that it does not believe that Mexico will change its strategy with Gustavo Petriccioli Iturbe's appointment as new finance secretary. He is a man bankers know well, the spokesman said. According to various analysts, it is believed that the Mexican government will attempt to negotiate with banks for lower interest rates, to maintain its current budget, and new funds amounting to $6 billion.

FOREIGN SECRETARY DEPARTS FOR CONTADORA MEETING

FL242030 Mexico City NOTIMEX in Spanish 1925 GMT 24 Jun 86

[Excerpt] Mexico City, 24 Jun (NOTIMEX) -- Foreign Secretary Bernardo Sepulveda Amor departed today for New York where he and the Contadora Group foreign ministers will meet with UN Secretary General Javier Perez de Cuellar.

The Contadora members will meet with OAS Secretary General Joao Clemente Baena Soares and OAS Permanent Council President Fernando Andrade.

The Mexican Foreign Secretariat reported the above and explained that the goal of the meetings is to present UN and OAS leaders with the final draft of the Contadora peace act for cooperation in Central America.

DE LA MADRID, CEREZO TO DISCUSS C. AMERICA

FL242133 Mexico City NOTIMEX in Spanish 2109 GMT 23 Jun 86

[Excerpt] Mexico City, 23 Jun (NOTIMEX) -- The Foreign Secretariat has reported that with the visit of Guatemalan President Vinicio Cerezo Arevalo to Mexico -- scheduled for 2 to 4 July -- there is a shared willingness to increase cooperation possibilities.

It indicated that during the Guatemalan president's visit to Mexico, a relevant exchange of views on the Central American situation will be conducted and ways of overcoming obstacles in achieving a regional agreement for peace and cooperation will be discussed.

The Foreign Secretariat mentioned that the Guatemalan head of state's visit will be made within the new cooperation respect, and friendship framework that characterizes relations between the two countries.

AGRICULTURE SECRETARY DISCUSSES TRADE WITH FRANCE

FL211820 Mexico City NOTIMEX in Spanish 0450 GMT 21 Jun 86

[Excerpt] Paris, 20 Jun (NOTIMEX) -- Eduardo Pesqueira Olea, agriculture and water resources secretary, has met with his French counterpart Francois Guillaume to strengthen bilateral trade in the agricultural area and promote a technological agreement that benefits the two nations. During the meeting, the secretary said relations between France and Mexico have increased at all levels since 1982 as a result of the two governments' political goals. Pesqueira Olea also said that the achievements are a direct result of President Miguel de la Madrid's visit to Paris in June 1985 when two coinvestment agreements were signed. In addition, Pesqueira Olea expressed Mexico's interest in increasing the sale of Mexican agricultural and forestry products to France.

USSR ENVOY ON HELMS 'UNBELIEVABLE MEDDLING'

PA241642 Mexico City EL NACIONAL in Spanish 20 Jun 86 p 2

[By Martha Elba Torrez, Octavio Bernard, and Octavio Raziel]

[Excerpt] Rostislav Sergeyev, Soviet ambassador to our country, has said that Mexico's problems must be solved by Mexicans, and U.S. Senator Jesse Helms' unbelievable meddling is a flagrant violation of international law and the UN Charter. Sergeyev made the statement at Mexico City's International Airport, noting that Helms' statements violate all types of rules among states because he raised very serious charges he should have never raised.

Moreover, regarding plans for a summit meeting between Ronald Reagan and Mikhail Gorbachev, he noted that the United States has taken steps backward and has not been constructive in seeking results conducive to peace. While the White House says that Reagan wants to meet with Gorbachev, it has continued the nuclear tests, stepped up its arms buildup in Europe, and supports groups through backyards in various regions, like Central America. Reagan says that he supports the Contadora Group but acts against it because he wants to maintain "backyards" to impose his policy, said Rostislav Sergeyev.

For the next summit to be successful there must be an agenda of topics to be discussed, such as an end to nuclear tests, a reduction of missiles in Europe, and nonintervention in regional problems. He recalled that the United States carried out 12 nuclear tests in 1985 and has carried out another 5 tests thus far this year.

The USSR will wait with its moratorium of nuclear tests only until August, he noted, because if North America continues on this path the Soviets cannot lag behind. He then recalled statements by U.S. senators embodying the notion that the whole world must adhere to U.S. policy, that peoples must adopt the positions set by the United States, not realizing that there are other forces, other blocs that criticize this idea. He added that in this nuclear era the United States must change, must adjust to humankind's ideological thinking and not to that of the government leaders of that country because by doing so it is returning to the era of the medieval crusades, seeking to turn back the wheels of history.

Finally, he remarked that the USSR has set 6 August as the deadline to end its moratorium of nuclear tests and if the United States goes on with them that nation will move on with the arms race, which endangers the future of humankind. The date coincides with the meeting to be held in Mexico by the six heads of state who signed the New Delhi agreement for banning nuclear weapons in the world.

The Soviet ambassador went to the international airport to say farewell to Bulgarian Ambassador Lyuben Avramov, who returned permamently to his country after 3 years.

12 LEFTIST ORGANIZATIONS FORM POLITICAL FRONT

PA201248 Mexico City THE NEWS in English 18 Jun 86 p 4

[Excerpt] Twelve leftist organizations culminated more than a half year of negotiations Monday by forming a single political front to coordinate political activities, launching what leftist activists say they hope will mark a new era in cooperation among Mexico's traditionally divided left.

A document signed Monday by representatives of the 12 organizations commits the signatories to support common candidates in local and national elections and jointly defend workers' "economic and social interests."

The 12 organizations have been meeting since last November to overcome years of differences that have divided and rendered them largely insignificant as a political force. Despite small-scale successes, such as increased representation in the Chamber of Deputies, they have failed to present a serious challenge to the ruling Institutional Revolutionary Party (PRI).

"In order to unite efforts and open channels for the public's discontent and its legitimate aspirations for national and social liberation," the pact says, "it is necessary to construct a front of political parties and citizens by creating proper conditions for coordinated action and to discuss the country's problems."

Deputy Pedro Penaloza of the Revolutionary Workers party (PRT), who has been instrumental in the unification negotiations, termed the formation of the front "a qualitative leap in the unification of the left."

Penaloza joined other leftist leaders, including Pablo Gomez of the Unified Socialist Party of Mexico (PSUM) and Heberto Castillo of the Mexican Workers Party (PMT), in declaring at a news conference that the new front is designed to support workers in their daily battle for greater rights, as well as promote left-wing candidates.

"We don't want a front that will be a seminar," Penaloza said. "We want a front that is in favor of action, that fights in the streets throughout the country."

Leftist officials are making a concerted effort to build a party with grassroots support and to discard its image as a party of middle-class leftists and students.

Rodolfo Armenta of the Popular Revolutionary Movement (MRP) said the front will not play the role of a vanguard leading the masses, but will battle alongside the country's citizens.

Party leaders, particularly Pablo Gomez, the PSUM national chairman, emphasized the front is open to any organization or citizen that shares its goals and is willing to abide by its statues.

One of the organizations' main goals is nominating a single candidate to run under the leftist banner in the 1988 elections rather than divide electoral support among several candidates, as has traditionally been the case.

But party leaders noted Monday they must offer concrete alternatives to the PRI and the conservative National action Party (PAN) in order to convince voters of the credibility of the left.

A platform that would incorporate the various interests of the 12 organizations has not been written, but the pact outlines three broad objectives: achieving Mexico's independence, defending workers' economic and social interests and fighting for a "truly democratic" country.

The document says a national committee will be selected to draw up a platform and the structure and norms of the front. Party officials did not set a deadline for the selection, but stressed the lack of platform did not represent wide divisions, merely the difficulty of reconciling the views of the 12 organizations.

The pact stipulates the organizations will increase coordination, but states each party will continue to maintain its autonomy. Party leaders have declared the formation of a single party as their ultimate goal, but currently say they consider that unfeasible, given unspecified political differences.

There have also been reports of personal clashes among the parties' directors, but they have not been publicly confirmed.

The pact says the front would "contribute to the convergence and bilateral and multilateral mergers by which greater degrees of affinity would be achieved."

The PRT and the PMT have announced intentions to merge later this year, and the Unified Socialist Party of Mexico (PSUM) and the Union of the Communist Left are on the verge of merging into a single party, party officials said.

BRIEFS

DRUGS CONFISCATED -- According to an official spokesman, the Mexican Navy has discovered a Caribbean drug trafficking network used by Colombians and has confiscated 8 tons of marijuana. The operation was carried out by Coast Guard personnel during a patrol of the northern point of Cabo Chinchorro in Quintana Roo State. The Colombian ship Borrasca was detained there, and marijuana residue was found. The crew admitted unloading the drug at a small Caribbean island. Navy personnel discovered the location and confiscated the 8 tons of marijuana, which was in 200 packages weighing 40 kg each. [Excerpts] [Mexico City NOTIMEX in Spanish 2100 GMT 23 Jun 86 FL]

PDP LEADER VIEWS ON 'CAMPAIGN' AGAINST NORIEGA

PA242129 Panama City MATUTINO in Spanish 24 Jun 86 pp 1 A, 6 B

[By Octavio Carrasquilla]

[Excerpt] During a meeting yesterday with local journalists and foreign correspondents, People's Party [PDP] Secretary General Ruben Dario Souza said in part: "A campaign against General Manuel Antonio Noriega is in progress in the United States and other countries. Should they fail through political means, Americans will use terrorism to physically eliminate the Defense Forces' commander in chief."

The People's Party leader said that the articles published in THE NEW YORK TIMES are part of an escalation within a plan of President Ronald Reagan's government geared particularly to the approaching year 2000, when the Americans are scheduled to hand the Canal over to Panama.

JAPANESE ADMIRAL, NORIEGA DISCUSS COOPERATION

PA241415 Panama City Televisora Nacional in Spanish 0000 GMT 24 Jun 86

[Text] General Manuel Antonio Noriega and his general staff received Royal Admiral Mineo Konishi, commander of the Training Squad of the Japanese Self-Defense Agency, this morning. Konishi was accompanied by Japanese Ambaassador Ryozo Mogi and Defense Attache Colonel Tedashi Hasegawa. Noriega and Konishi exchanged views regarding the existing cooperation between the two peoples, governments, and armed forces. The officers payed tribute to Omar Torrijos Herrera at his mausoleum, where they placed a wreath.

TREATY FULFILLMENT COMMISSION CREATED

PA250223 Panama City Televisora Nacional in Spanish 0000 GMT 25 Jun 86

[Excerpt] Today at the presidential palace the Cabinet Council made an in-depth analysis of U.S. Senator Jesse Helms' statements against our country and the implications these statements may have on the fulfillment of the agreements achieved by Panama and the United States in the Torrijos-Carter Treaties.

After several hours of analyses and consultations, President Eric Arturo Delvalle named a commission of several state ministers that will be in charge of preparing a strategy to defend the reversion of properties as established in the treaties.

EDEN PASTORA ON WITHDRAWAL FROM STRUGGLE

PA242009 Panama City LA PRENSA in Spanish 24 Jun 86 p 18 A

[By Lisette Carrasco]

[Excerpt] Eden Pastora, the legendary Nicaraguan commander Zero, has refused to comment on the murder of Panamanian guerrilla Hugo Spadafora, who also fought to topple the Anastasio Somoza dictatorship.

The two also fought to topple the current Sandinist government in Nicaragua, although from different stances. Pastora did say that if he received a proposal that would guarantee his safety, "I would return to my country."

In a statement to the newspaper LA PRENSA during his brief stay in Panama en route to Costa Rica, Pastora said that he withdrew from the armed struggle "because we were fighting against everybody." He was referring to the stance which the U.S. Senate "allegedly" adopted to deny $100 million in humanitarian aid to the "counterrevolution." According to the former guerrilla leader, the aid would not have gone to the fighters under his command in the south [of Nicaragua], but rather to the contras in the north.

GOVERNMENT AGAIN BLOCKS RADIO MUNDIAL BROADCASTS

PA240414 Panama City LA PRENSA in Spanish 23 Jun 86 p 1 A

[Text] Once more Radio Mundial's broadcasts were not allowed by [Government and Justice] Minister Rodolfo Chiari when he informed Radio Mundial's manager, Carlos Ivan Zuniga, Jr. that broadcasts could not be resumed today as had been announced, as moving the studios to the transmitter site must be approved by the Government and Justice Ministry.

As might be recalled, Minister Chiari suspended the use of Radio Mundial's FM frequency, which the station had been using for 11 years as a link between its studios and transmitters, alleging that the frequency assignment for that radio station was incorrect.

Faced now by the minister's new demands to the effect that the transfer of the studios involve "substantial modifications," which according to legal ordinances must be approved by the Government and Justice Ministry, Zuniga has requested the ministry "carry out the inspection for Radio Mundial to operate on its assigned frequency without further delays, which clearly affect my business interests."

COSTA RICA

MADRIGAL VIEWS NICARAGUA'S STANCE ON CONTADORA

PA241428 San Jose Radio Reloj in Spanish 1245 GMT 24 Jun 86

[Text] Referring to the Nicaraguan announcement that it will sign the Contadora peace act, Foreign Minister Rodrigo Madrigal Nieto said that to sign the peace act without the verification and control mechanisms is to sign a dead letter. We cannot sign just to sign, and we cannot sign and leave for later negotiations such important topics as security, verification, and control, Madrigal Nieto stressed. The peace act should be an entirety that includes commitments and mechanisms to fulfill and follow upon those commitments, and Nicaragua has not said that it commits itself to signing the act as an entirety, the foreign minister added.

To offer to sign the peace act and to tie this to the nonapproval of the $100 million in aid being debated by the U.S. Congress for the rebels are two unrelated things, Foreign Minister Madrigal Nieto said. We have said that the signing should not just be a protocol act for propaganda, but entail a real commitment taking into account the aspirations of the Central American peoples, he said, adding: That is why we insist on the verification and control mechanisms for weapons and in the political and democratic progress.

GUATEMALA

DECLARATION ISSUED ON CEREZO'S VISIT TO MEXICO

PA241256 Panama City ACAN in Spanish 0030 GMT 24 Jun 86

[Text] Guatemala City, 23 Jun (ACAN-EFE) -- The upcoming visit that President Vinicio Cerezo will pay to Mexico next week is especially important because it occurs at a time when the Central American situation "is difficult." The above-mentioned statement is part of a joint declaration issued today by the Governments of Guatemala and Mexico.

Guatemalan Foreign Minister Mario Quinonez Amezquita said that the declaration points out that "both Guatemala and Mexico confirmed President Cerezo's visit to the United Mexican States for 2, 3, and 4 July." Quinonez added: "The visit is especially important because it takes place precisely at the moment the Central American situation seems to have entered a difficult period." The joint declaration says: "That situation makes the visit very interesting and suitable for an exchange of views that could contribute to the search for solutions which could please the countries in conflict."

When releasing the Mexican-Guatemalan document, Quinonez Amezquita said the declaration adds: "It is also advisable for Cerezo and De la Madrid to discuss the search for solutions to the Latin American problems." The two presidents will discuss commercial trade, the foreign debt, and other points of interest for Latin America. The Guatemalan foreign debt exceeds $2.69 billion, and Mexico, which faces a serious economic crisis, has a $98-billion foreign debt.

The joint declaration points out that Cerezo and De la Madrid will discuss public health and social security cooperation, in order to obtain technical support, "for pharmacies and the administration of health and medicine systems." Quinonez Amezquita said: "Financial factors to facilitate credits will also be discussed. The presidents will also study ways to increase trade, as well as a fishing cooperation project, and an agreement to supply Guatemalan schools with supplies." The Guatemalan foreign minister did not give details regarding the situation of the trade balance between the two countries; he only said: "There is a deficit which is unfavorable for Guatemala."

The presidents of Guatemala and Mexico "will study the work to complete the mapping of the border regions. They will also discuss the possibility of signing a general territorial waters agreement, not circumscribed to the Usumacinta River," which is the border line between the two countries. The Guatemalan foreign minister added: "Housing and communications projects, as well as the problem of the refugees in Mexican territory, will also be discussed on an open agenda." Quinonez Amezquita added: The presidents will look for ways to improve the situation of the Guatemalan citizens in Mexican territory, and that of those who wish to return to their homeland voluntarily." In the Mexican regions of Chiapas, Campeche, and Quintana Roo, there are approximately 40,000 refugees who fled from the western part of Guatemala, due to the violence during the former military government.

Foreign Minister Quinonez pointed out: "The rapprochement that Mexico is now looking for, follows the Mexican recognition that there is a democratic government in Guatemala, and it shows the Mexican interest in an exchange of opinions regarding the problems of Central America, Latin America, and the international community."

GOVERNMENT CONSIDERS CUBANS' REQUEST FOR ASYLUM

PA241831 Panama City ACAN in Spanish 1525 GMT 24 Jun 86

[Excerpts] Guatemala City, 24 Jun (ACAN-EFE) -- Immigration officials disclosed today that six Cuban citizens have requested political asylum from the Guatemalan Government. They have been granted a 5-day permit. Cuban citizens Nino Sergio Alberto Fernandez, Eulalia Valdez Forte, Maria del Carmen Pena, Sandra Maria Rojas Gonzalez, Marta Gonzlez Garcia, and Humberto Rojas Infantes, had been in El Salvador, where they were denied political asylum. Guatemalan officials do not know how they escaped from Cuba and arrived in San Salvador, from where Guatemalan pilot Oscar Alvarado Lara flew them to Guatemala in a private plane.

An immigration official who asked not to be identified said that the five [as received] Cubans requested political asylum when their plane landed at La Aurora International Airport. However, "a document was drafted granting them a permit to stay in the country for 1 week [as received]," while the Foreign Ministry studies the case. "We do not know how they contacted pilot Alvarado Lara, but we established from what they told us when they arrived in Guatemala that they originally flew from San Salvador to the Bahamas and then to Costa Rica where they were denied political asylum." Finally, the Guatemalan pilot brought them to this city so they could seek political asylum.

Foreign Minister Mario Quinonez Amezquita said today that "their situation must be analyzed in order to decide if they will be granted political asylum, because we believe in the right to asylum." "However," he added, "just as we respect that principle, we must learn why they have come as well as their reasons for requesting political asylum, because the treaty with Cuba is still in effect." Quinonez Amezquita stressed that "after we learn about the details and the political reasons for requesting asylum, which was denied by three countries, we will make a decision."

The six Cubans have refused to talk with the press "because it has not been decided yet whether they will be able to stay in Guatemala or will have to leave the country tomorrow, as it was not until today that we found out that they entered the country 5 days ago," the foreign minister said.

CARPIO DISCUSSES W. EUROPEAN AID PROSPECTS

PA250053 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 23 Jun 86

[Excerpt] Vice President Roberto Carpio Nicole has returned from a tour of Europe, where he visited the FRG, Belgium, and other countries. Upon arrival at the airport, Carpio was questioned regarding his mission. He said that the Guatemalan Government's economic reorganization plan was widely supported.

[Begin Carpio recording] The FRG will support us with funds [words indistinct]. We also requested help in the public administration field, a field that the president has delegated to the vice president. We also presented a bill for the development of small businesses. The project was presented to FRG Development Minister [name indistinct]; it was also presented to the EEC and the Belgian Government. We spoke in Hamburg, Berne, and Brussels, on cooperation for the country's development through private enterprise. There is great confidence in Guatemala at this time, and these countries are willing to support us through investments in the country. [end recording]

Carpio added that the EEC countries fully agreed to finance a total of $10 million to support Guatemalan small businesses.

[Begin recording] This was not expected because the EEC (?acts as a) region. They are studying a bill of approximately $80 million and they are trying to increase this figure. [Words indistinct] $10 million, and this is what the community can offer. It is not easy to deal with the EEC because certain issues must be explained. [end recording]

HONDURAS

LOCAL SOLDIER KILLS U.S. SOLDIER IN OLANCHO

PA242109 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 24 Jun 86

[Text] Residents of Olancho were shocked to hear about the death of a U.S. soldier who picked a fight with a Honduran soldier. According to statements by eyewitnesses, two U.S. soldiers captured the Honduran soldier as part of a military maneuver. They handcuffed him and humiliated him. They violated the approved regulation for the maneuvers, which specifies that a soldier can get only as close as 120 meters to another. Later they made him get into a military vehicle without paying any attention to his pleas. They were on their way to a military installation when the Honduran soldier stripped one of the U.S. soldiers of his knife and injured both of them. One of them died, and the other one was taken to a clinic.

People in the Honduran Army are dismayed by this incident, but they admit that the U.S. soldiers had overdone it and that the Honduran soldier may have thought that it was a serious matter. Military sources said that his reaction was normal, but they admitted that this incident may affect relations with the United States.

MILITARY OFFICIAL DISCUSSES NICARAGUAN REFUGEES

PA241625 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 24 Jun 86

[Danilo Antunez report]

[Excerpt] Colonel Amilcar Castillo Suazo, chief of the Joint General Staff of the Honduran Armed Forces, announced that President Jose Azcona Hoyo has decided not to relocate Nicaraguan refugees in Olancho. Most members of the Senior Council of the Armed Forces concurred with this view.

[Begin recording] [Castillo] I feel that moving the refugees farther inside the country is not advisable. Their presence near the border is causing problems for the country's security. More than that, there are other problems such as matters regarding the destruction of forests. I feel that it would be more harmful to bring the refugees into the interior of the country, and to Olancho Department, in particular. As a matter of fact, on [words indistinct] during the celebrations of the anniversary of the First Engineers Battalion, I talked to the president about the refugee matter. He agrees that the refugees should not be relocated in Olancho or any other place inside the country.

[Atunez] Do the members of the Senior Council of the Armed Forces also agree that the refugees should not be moved to the interior of the country?

[Castillo] They do. The topic has been discussed on several occasions. We agree that it is not advisable to bring the refugees into the interior of the country.

NICARAGUA

ORTEGA COMMENTS ON CONTRA AID VOTE, DEMOCRACY

DW242134 Mainz ZDF Television Network in German 1945 GMT 24 Jun 86

[Interview with President Daniel Ortega by correspondent Reinhard Appel in Managua, on the "Huete Journal" program date not given -- recorded, in Spanish with simultaneous translation into German]

[Text] [Appel] Do you think that Washington will vote for the $100-million credit?

[Ortega] Well, I think, that there are a lot of polemicas in Washington. But the U.S. Congress will have to carefully consider its reponsibility for a really peaceful solution. Granting another $100 million means pushing an armed solution. That would complicate the military situation in the region. If the Americans were to get involved in the conflict and support the contras directly by advisers, that would be a completely new aspect, because they would have to risk their lives in action like the counterrevolutionaries. I would advise the U.S. Congress to take the judgement of the International Court of Justice in The Hague in the lawsuit between Nicaragua and the United States into consideration in making its decision.

[Appel] Many democrats who welcomed the overthrow of the Somoza regime are now a little disappointed about present developments in Nicaragua, because they do not believe that a pluralist democracy has been established here. Do you think that democratic conditions have already been established in this country?

[Ortega] I think that we in Nicaragua have more pluralism than in many Latin American countries. The two-party system has broken down. For the first time in history seven parties are represented in parliament. During the revolution Nicaragua had no opportunity to stabilize a democratic regime.

DEFENSE MINISTRY REPORTS ON CAPTURED MERCENARIES

PA241823 Managua International Service in Spanish 1745 GMT 24 Jun 86

[Defense Ministry "report"]

[Text] The Defense Ministry hereby reports the following:

1. Concerning the two foreign mercenaries recently captured by the EPS in the southern part of the country, the initial investigations disclose that the first mercenary captured on 16 June, who had initially arrived in Costa Rica from Miami and identified himself as U.S. citizen Lalio Wearnes, is really Ubaldo Hernandez Perez, a Cuban-born counterrevolutionary who arrived in the United States in May 1980.

2. The second mercenary that was captured a few days ago in the same area is Eugenio (Reas Lavas), also a Cuban-born counterrevolutionary who arrived in the United States in May 1980. When the two arrived in the United States, they were recruited by the command structure of the mercenary forces of the U.S. Administration and later sent to Nicaragua.

3. The two prisoners were delivered by the EPS to the corresponding authorities of the Interior Ministry, who will report on the issue soon.

Managua, 24 June 1986

[signed] Public and Foreign Relations Directorate of the Defense Ministry

RAMIREZ HOLDS PRESS CONFERENCE IN ROME

PM250834 Rome LA REPUBLICA in Italian 20 Jun 86 p 14

[Saverio Tutino report: "Ramirez Meets with Journalists: 'Difficult Relations With Church'"]

[Text] Contradicting all optimistic hypotheses about the future of the Contadora mediations, Nicaraguan Vice President Sergio Ramirez -- at present on a visit to Rome, where he discussed the Central American situation with the pope yesterday -- said he was worried about the consequences of the policy pursued by Washington, which has succeeded once again in preventing the signing of a peace document by means of its veto. In a conversation with a group of journalists Ramirez explained how the latest round of negotiations went. Encouraged by the diplomatic efforts of South American countries -- first and foremost Argentina -- and by the new Guatemalan president, Vinicio Cerezo, the foreign ministers of the 13 Latin American countries succeeded in launching a plan in Paris on 5 June that Nicaragua would have signed, despite its reservations.

"We would have signed it, even though we would have had to reduce our army in the midst of a war. But the United States could not accept it because the conditions for a military reduction included the withdrawal of military advisers, the closing of foreign bases, and a ban on maneuvers, and also because it included no provisions for establishing foreign monitoring of the elections in order to guarantee their democratic nature. El salvador, Honduras, and Costa Rica espoused the U.S. objections, so Contadora broke down, perhaps forever. Now these countries are drawing up an alternative document on their own account, excluding Nicaragua and allowing its substance to be dictated by the United States."

[Reporter] How do you see the future, Mr Ramirez? Do you not believe that it will be necessary in any case to have enough imagination to find a political solution?

[Ramirez] The issue will certainly not be resolved on the military plane. But Gulliver must be tied down, and we will need a great deal of rope. In Latin America, Argentina, Uruguay, and Peru are with us, and also Brazil and Colombia, as well as Cuba. Guatemala and Panama are close to us and reject the blocs. I have visited many countries in Europe and everywhere I have encountered support for the Contadora line. Many foreign volunteers work in Nicaragua, from the United States and 2,500 from West Europe. Although they run risks and some have already died as a result of the war, the European governments have confirmed to us that this cooperation program will continue.

[Reporter] Why has Eden Pastora thrown in the towel?

[Ramiriz] Because he failed to come to an agreement with the CIA. He wanted overall command but did not secure it. Also because as soon as we were able to deal with him we eliminated him militarily within the space of 3 months.

[Reporter] The National Opposition Union [UNO] seems to have decided to put forward leaders not associated with Somoza.

[Ramirez] The contras' military leadership remains in the hands of Colonel Bermudez and his staff -- all of them former Somozists. The acceptable figures, such as Arturo Cruz and Alfonso Robelo, have only succeeded in ensuring that UNO decisions are of no importance to Bermudez.

[Reporter] Do you include the church's opposition within this context?

[Ramirez] The church is not the same as the contras. Relations with part of the Catholic Church are difficult because the U.S. intervention adds to its criticisms a degree of political danger that they would not otherwise have. But we agree to the church's joining the debate: It has done so now with a document on the constitution. But the constitution will clearly assert observance of religious freedom. It will be ready in January, as we promised. Its introduction will reassert Nicaragua's nonaligned international stance and the principles of a mixed economy and of political pluralism. It will also enshrine the gains of Sandinism, from the agrarian reform to state measures in the economy.

[Reporter] Put to the democratic test, would you still have to admit to press censorship?

[Ramirez] Censorship is a blemish in a system asserting civil rights. But it is not, as people say, proof of a dictatorship on our part. Totalitarian systems do not permit independent newspapers. In our country there is LA PRENSA, which belongs to a private group and is distributed throughout the country. It is often censored, even wrongly. But censorship is never a good thing: It is a short-term measure dictated by the conditions of war. It must be abolished -- soon, we hope.

[Reporter] Is it true, as Reagan claims, that you received new sophisticated weapons from the USSR last month?

[Ramirez] The most sophisticated weapon that we have received from the USSR is the M-25 helicopter. What Reagan says is untrue.

FSLN ISSUES MESSAGE ON FONSECA ANNIVERSARY

PA241340 Managua Domestic Service in Spanish 1204 GMT 24 Jun 86

["Text" of message issued by the FSLN Directorate on the occasion of the 50th anniversary of the birth of Commander Carlos Fonseca]

[Text] From the FSLN National Directorate to the heroic Nicaraguan people:

The world is facing the greatest challenge mankind has ever confronted throughout its recorded history. Once again, warmongering theories are trying to win over the justice, reason, wisdom, and peace that mankind is defending. It was 41 years ago that the cannons ceased firing and the warmongering actions of fascism surrendered after another bloody war that left millions of people dead. The people throughout the world were clamoring for peace, and as never before, the world leaders seemed so convinced of never again allowing the possibility of a new world war.

Apparently today some forget the horrors of war and what would be the consequences of a third world war. In this manner, they are trying to impose the same theories that were the support of the arms race policy of Hitler when the war broke out. Today mankind is threatened by the rebirth of fascist thoughts in the ruling hierarchy of the U.S. power, which is engaged in imposing its military leadership and an arms race that is entailing more hunger and sacrifices for the peoples of the world, including the U.S. people themselves.

So far, this fascist policy has rejected the peace initiatives of the USSR and the clamor of the governments and peoples of the world, who are demanding a constructive answer from the U.S. Government. As we commemorate the 50th anniversary of the birth of Carlos Fonseca, we must recall that Carlos was a convinced militant who fought for peace and, who -- by the way -- had his first international contact with the people that endured the greatest attacks from fascism and then fought and defeated fascism with the death of 20 million people: The heroic Soviet people.

As we commemorate the 50th anniversary of the birth of Carlos, we see Carlos as the fighter for peace who knew perfectly well that to fight against the Somozist dictatorshop and the imperialist domination was to fight for peace. He knew this also meant to be in solidarity with the struggle of the peoples of the world for their self-determination, national independence, and sovereignty.

As we commemorate the 50th anniversary of the birth of Carlos Fonseca, we are rendering homage to the son of Dario and Santino, to the founder of the FSLN, to the chief of the Sandinist people's revolution who was a tireless fighter for peace. Our fatherland, which has been liberated for authentic democracy and peace, is once again the target of aggression by the U.S. military power. With the nerves of steel of Carlos Fonseca, Nicaragua is struggling for peace. Latin America is also struggling for peace, demanding an end to aggression, a dialogue between the United States and Nicaragua, and a peaceful solution as the only feasible reply to the conflict created in Central America by the warmongering policies of the U.S. rulers who today insist on making the military conflict worse.

As we commemorate the 50th anniversary of the birth of Carlos, the FSLN National Directorate interprets the feelings and wishes of the Nicaraguan people and will continue working for the sake of peace within the framework of the negotiations proposed with a Latin American feeling by the Contadora and Support Groups. Nicaragua will also continue to guarantee all the instruments of struggle that are necessary so that the Nicaraguan people will be able to defend with (?heroism) its revolution and will defeat the U.S. imperialist aggression, and even the (?bloody) military aggression of Yankee troops, should this happen. It is a hard and heroic battle, that entails sacrifices similar to the difficult moments of the clandestine battle in the cities and mountains, when Carlos Fonseca and the Sandinist militants confronted the enemy with scarce material resources. Then, as well as now, our only capital is the Sandinist conscience, the Sandinist morale, the conviction to fight for this free fatherland or death in combat.

The 5 years of the war promoted by the U.S. Government have led to the loss of thousands of lives and have worsened the economic problems and depleted our supplies. However, it has also been 5 years of defeating the Yankee aggression. These are the moments of struggle, in which the unity of the Sandinist militants, the unity of the productive workers, the service workers, the qualified workers, technicians, administrators, of the state workers, the unity of all workers from the cities and the fields in their various branches, functions, and skills, all become strategic in order to win the military and economic battles that the imperialist aggressors inflict upon us. These are difficult moments for our unity, our conscience, our discipline, our self-criticism and criticism, our ideology that will strengthen our military and economic trenches in order to defeat aggression, achieve peace, and then work for a future that will offer us better living conditions in the material and (?cultural) aspects. We were confident of victory during the times when the power of imperialism, of capitalism, and of Somozism with its genocidal guards seemed invincible, and the FSLN was nothing but a hope of the new fatherland announced by Carlos Fonseca, prisoner of imperialism and Somoza, who then shouted to the dismay of his executioners: Long live the Sandinist Front!

Just as yesterday, when Carlos was born, grew, fought, and died with the conviction that there would be victory for the people, he continues to live beyond his death through his thoughts, his actions, and the victory of 19 July 1979. With that same firmness and conviction of Carlos Fonseca, we are going to win this battle even if the sacrifices of the imperialist aggression are more difficult. Just like Carlos, we are going to continue fighting with a rifle and a plough for peace in Nicaragua. We are going to continue fighting for peace in Central America, we are going to continue fighting for peace in Latin America and the Caribbean, we are going to continue fighting for peace in the world.

Free fatherland or death!
[signed] FSLN National Directorate,
Managua, 23 June 1986

SOCIAL DEMOCRAT LEADER VIEWS DOMESTIC PROBLEMS

PY242050 Paris AFP in Spanish 1838 GMT 24 Jun 86

[Text] Paris, 24 Jun (AFP) -- During a press conference today in this capital, Luis Rivas Leiva, secretary general of the Social Democratic Party, stated that the slogan general Peace Is Obtained Through Victory, which is broadcast over the Nicaraguan state television channel every day, reflects the war spirit of the Sandinist leaders. He went on to say that 6 years and 10 months after the Sandinists came to power, uncertainty is the prevailing feeling among the population, while the standards of living deteriorate more and more every day with unbridled inflation and salary adjustments that do not make up for the inflationary escalation.

The warlike situation has already resulted in 9,132 war orphans and losses that amount to over $1.5 billion, while the FSLN's refusal to engage in a dialogue -- as several political organizations have requested -- makes the future look even more grim, stated the Social Democratic leader.

Rivas Leiva asserted that although it is obvious that the United States aids the anti-Sandinist guerrillas with money and weapons, the Soviet Union for its part has supplied the regime with the most powerful military arsenal that has ever existed in the region. The Nicaraguans supply the vicitms. The Social Democratic leader energetically denounced the anti-Somozist people's courts, independent of the Supreme Court, where political revenge is taken based on charges made by Sandinist military officers.

After disclosing that the state intelligence department had confiscated all the documents that he was bringing to this press conference before leaving for the Managua airport, Rivas denied any relationship with military forces against the Sandinist regime, stating that if that were the case he would be take before the Summary Court for a secret trial where he could be sentenced to 20 years imprisonment.

After rejecting any possibility of returning to the past, Rivas said that the Contadora Group's efforts have failed because the parties involved did not really want to cooperate and because the Sandinist Front would rather see a military clash than a peaceful solution.

Luis Rivas Leiva, who was born in December 1937 in Nicaragua, is a surgeon by profession and was seriously wounded in 1959 by Somoza's National Guard during a demonstration. He was subsequently put in prison on several occasions by the dictatorship. The Social Democratic Party, which he currently leads, is part of the Nicaraguan Democratic Coordinating Board, which includes three other Sandinist opposition parties, two independent labor unions, and representatives from the private sector.

UNO, BOS LEADERS SIGN UNITY AGREEMENT

PY240404 Paris AFP in Spanish 0326 GMT 24 Jun 86

[Text] San Jose, 23 Jun (AFP) -- The Nicaraguan Opposition Unity [UNO] and the Opposition Block of the South [BOS] today reported here the signing of an agreement for coordination of their struggle against the Sandinist regime.

UNO and BOS representatives Alfonso Robelo and Alfredo Cesar, respectively, released the document -- the preparation of which began 5 months ago -- in which the two organizations are committed to fight unceasingly until the achievement of a regime that will guarantee peace, democracy, social justice, and full respect for human rights in Nicaragua. Moreover, Alfredo Cesar stated that the document for unity should be signed soon by the Misurasta Indian organization. Cesar stated that the Nicaraguan opposition has managed to overcome internal disagreements to join forces for the same objective against the communist occupation in Nicaragua. He said that through this unity, BOS provides some 1,000 fighters who had previously been commanded by Eden Pastora, who gave up the fight on 16 May.

The BOS leader denied that Pastora's withdrawal from the struggle had promoted the achievement of the unity agreement that was announced today, but noted that Pastora had approved the agreement. Cesar did not give importance to the presence of Somozist leaders in the UNO military hierarchy, which he had previously persistently criticized, noting that whoever is a member of UNO is the concern of its members.

For his part, Robelo noted that this is the last opportunity that the Nicaraguan opposition has to achieve peace and democracy in Nicaragua, and he asserted that we are seeking unity at all levels. Robelo expressed his annoyance over some questions that were posed by journalists regarding the Reagan administration's participation in the negotiations that they are undertaking, noting that we act strictly in keeping with Nicaraguan interests without any type of pressure. He said that it is an insult to us when people state that the United States is interfering in our decisions.

Robelo was interrupted by applause and violent slogans against Sandinism by over 100 Nicaraguans, transforming the press conference into a political meeting as a result of which many of the national and foreign journalists left the press conference.

PASTORA DISCUSSES FUTURE PLANS, PEACE PROSPECTS

PA212008 Caracas EL NACIONAL in Spanish 16 Jun 86 p D 1

[Report on interview with Eden Pastora, former ARDE leader, by Hernan Mena Cifuentes in Caracas; date not given -- all quotation marks as published]

[Excerpts] Maiquetia, 16 Jun -- The Reagan administration's error is to try to turn back history through its support for the contras, who have no possibility of succeeding, militarily or politically, because their leaders -- at the level of the armed, as well as at the ideological struggle -- are Somozists, the heirs of the shameful dictatorship that controlled Nicaragua for almost 50 years.

This statement was made by Eden Pastora, the legendary "Commander Zero" who returned to Venezuela with the taste of defeat in his mouth, but not defeated yet, after a 3-year struggle in souther Nicaragua againste his former comrades-in-arms and his final surrender to the Costa Rican Government a few weeks ago.

[Mena Cifuentes] What will be your decision now? Will you eventually join the armed struggle against the Managua government?

After thinking about it for a while he said: I won't return to the armed struggle, and my return to the political struggle depends on what I discuss with the democratic friends of Latin America and Europe.

Pastora's reference to "the democratic friends of Latin America and Europe," made this reporter think that Pastora may be planning to take advantage of the presence of the main leaders of the Socialist International in Caracas during the next 36 hours to discuss his future plans with them. These leaders include Willy Brandt, Bettino Craxi, Shimon Peres, and other prominent European politicians. We are going to analyze the situation, he stressed, to see what comes out of a consensus, the opinion of the majority."

Asked about the fate of his men -- more than 200 of them surrendered to Costa Rican authorities together with Pastora and two sons -- he said: "There are still companeros who are deep inside Nicaraguan territory and have not surrendered, but they are on their way to the border with Costa Rica to turn themselves in."

When EL NACIONAL asked him about a possible peace now that he admitted than an armed triumph is impossible and that he was betrayed by several of his ARDE commanders, the experienced guerilla hinted at the possibility of a reconciliation with his former comrades-in-arms with whom he fought against the Somozist dictatorship's troops for several years.

Well, he hesitated, if the FSLN has the capacity to change then there can be room for a reconciliation as long as, he explained, the FSLN goes back to the original program for a democratic, nationalist, and truly Sandinist revolution.

[Mena Cifuentes] Would you be in a position to make an offer to the FSLN in this regard?

After a brief pause, Commander "Zero" replied: "I'd rather listen to offers. However, there is nothing strange in politics." Man changes, especially as far as political matters are concerned."

Again Pastora defended his position not to join the other counterrevolutionary groups that are fighting the Sandinist government. This is an attitude that obviously cost him Washington's support and that culminated with his decision to quit the struggle after his main commanders deserted him and joined the other contras supported by the United States.

My stand is one I have always taken. It is a revolutionary, Sandinist, and anti-imperialist stand.

We, he noted, will not join, because of political and moral reasons, those who go against history and who killed our people for 45 years. We reject the interventions of the Cubans, the Russians, and also those of the North Americans."

He reiterated that the military and political leadership of the contras, supported by Washington, is obviously made up of former members of Somoza's army and friends and relatives of the defunct dictatorial dynasty.

The political and military leaders are Somozist. The commanders are Somozists, and one proof of their criminal strategy is that, in 4 years of war, they have not turned over a single war prisoner to the International Red Cross.

As Pastora left the Maiquetia airport building, he harshly criticized the policy of the Reagan administration.

Well, he deplored, unfortunately, Reagan did not leave us any space for the armed struggle and it is a mistake of the Reagan administration to try to return to the past and turn back history.

He also charged that "with these mistakes and with this attitude the Reagan administration justifies the errors of the FSLN and make the struggle more difficult for us democrats.

He akso said that the counterrevolution has no possibility of becoming successful despite the support that it receives, and may continue to receive, from Washington because the Nicagaruan people do not back the contras.

To defeat the Managua government, he explained, we must present to the Nicaraguan people a political, ideological, legitimate, revolutionary nationalist, and democratic program that is precisely the original program presented by the Sandinist revolution. Only then can one obtain the people's support.

BRIEFS

SOVIET GRAIN DONATION -- More than 1 million quintals will be the total of donations from the Soviet Union to Nicaragua during 1986. (Aleksandr Fidor), the USSR's commercial attache in Nicaragua, has told this station that the total donation of basic grains to Nicaragua will amount to 1,760,000 quintals. He said that 220,000 quintals of wheat and 264,000 quintals of rice are being unloaded in San Juan del Sur. The Soviet official announced the arrival of 440,000 quintals of wheat and a shipment with the last 88,000 quintals of rice in the next few days. [Text] [Managua Radio Sandino in Spanish 0000 GMT 24 Jun 86 PA]

FURTHER ON IRANIAN FOREIGN MINISTER'S VISIT

Meets With Castro

FL241244 Havana Tele-Rebelde Network in Spanish 1102 GMT 24 Jun 86

[Text] Last night, Commander in Chief Fidel Castro Ruz, president of the Councils of State and Ministers, received Mr 'Ali Akbar Velayati, foreign minister of the Islamic Republic of Iran, who is making a friendly official visit to our country.

Minister Velayati transmitted to Presient Fidel Castro Ruz a message from the president of the Islamic Republic of Iran, 'Ali Khamenei. During the meeting, which took place in a friendly environment, opinions were exchanged on the international situation, the Nonaligned Countries Movement, and bilateral relatons.

Velayati Departs

FL241820 Havana Television Service in Spanish 1700 GMT 24 Jun 86

[Text] Dr 'Ali Akbar Velayati, minister of foreign relations of the Islamic Republic of Iran, today ended his official visit to Cuba. He was seen off at Rancho Boyeros Airport by Foreign Minister Isidoro Malmierca. Also present were Giraldo Mazola, vice foreign minister, Ulises Estrada, director of North Africa and the Middle East of the Ministry of Foreign Relations, (Mohammad Farietar), Iranian ambassador to Cuba, and Milos Vojta, ambassador of th Czechoslovak Socialist Republic and dean of the diplomatic corps.

'Ali Akbar Velayati will travel to Czechoslovakia in response to an invitation from the government of that country.

REAGAN ADDRESSES U.S. IN SUPPORT OF CONTRA AID

PA242347 Havana International Service in Spanish 2300 GMT 24 Jun 86

[Text] In what observers have considered defiance of the legislative branch, U.S. President Ronald Reagan delivered from the White House Oval Office the speech he was not allowed to read before the U.S. House of Representatives.

Reagan's statement, which was broadcast on a television network, was aimed at convincing the representatives that they should approve his request for $100 million for the Nicaraguan contras.

The U.S. President insisted in his hackneyed accusations that Nicaragua is a Soviet beachhead on the continent. He also tried to instill fear among the citizens and congressmen by reiterating that the existence of the Sandinist government is a threat to U.S. security.

House Speaker Thomas O'Neill refused to allow Ronald Reagan's speech before that legislative body, where the debates on the request for aid for the Somozist mercenaries will be resumed tomorrow.

Meanwhile, Nicaraguan opposition political parties voiced their repudiation over the debates that will begin tomorrow in the U.S. Congress regarding President Ronald Reagan's request for $100 million to be delivered to the bands of the former Somozist guards.

Conservative Deputy Eduardo Molina said that Reagan's request is a crime from the viewpoint of international law, as it threatens Nicaragua's national security. If the U.S. Congress approves that aid, there will never be peace in Nicaragua, he stressed. For his part, Francisco Medrano, leader of the Nicaraguan Socialist Party, said that the approval of additional funds for the Somozist mercenaries confirms the danger that Washington may embark on a military intervention against that Central American country. Also in Managua, the FSLN called on the population to strengthen their unity in the face of the U.S. hostile policy.

TWO CAPTURED MERCENARIES REPORTED TO BE CUBAN

FL250113 Havana Television Service in Spanish 0000 GMT 25 Jun 86

[Text] Two mercenaries captured on 16 June in the southern zone of Nicaragua are of Cuban origin. The Nicaraguan Defense Ministry reported today that they have been identified as Ubaldo Hernandez Perez and Eugenio Rejas (Lavas).

Hernandez Perez initially told authorities that he was a U.S. citizen and said his name was Lalio Warner, but investigations revealed his statements to be false.

The two arrived in the United States in 1980 and were recruited by agents of the U.S. Government in Miami, said the Defense Ministry communique.

SOTO MEETS WITH SOVIET CENTRAL COMMITTEE MEMBER

FL242220 Havana Radio Periodico del Aire in Spanish 2130 GMT 24 Jun 86

[Text] (?Vadim Medvedev), secretary of the CPSU Central Committee, and Lionel Soto, Cuban ambassador to the USSR, met today in Moscow.

During the meeting, the Soviet leader and the Cuban diplomat exchanged opinions on relations between the two countries, especially between the CPSU and the Communist Party of Cuba. They also discussed matters related to strengthening CEMA and compliance with the agreements reached at the CEMA summit held on June 19, 1984.

SANTIAGO DE CUBA MAKES SATELLITE LINK WITH MOSCOW

FL240256 Havana Radio Reloj Network in Spanish 0204 GMT 24 Jun 86

[Text] From a computer installed at the Julio Antonio Mella Polytechnical Higher Institute in Santiago de Cuba, the first link by satellite was tested today for automated exchange of scientific-technical information between that province and Moscow, the Soviet capital.

The center receiving the communication was the Moscow Institute of Applied Automated Systems. This represents an important step for development of the Santiago de Cuba territory and the country.

Santiago de Cuba is the fifth province where this modern technology is used, andd it will be permanently applied within 1 year after the technical, organizational details have been completed.

The test included exchanging messages between a representative of the (Bopuba) institute of scientific-technical documentation and information in the USSR and specialists in Santiago de Cuba.
Spanish 0000 GMT 24 Jun 86 PA]

DEFENSE MINISTER SENDS MESSAGE TO PRK'S BOU THANG

BK241209 Phnom Penh SPK in English 1105 GMT 24 Jun 86

[Text] Phnom Penh SPK June 24 -- Kampuchean Defence Minister Bou Thang has just received a message of greetings from his Cuban counterpart, Gen Raul Castro Ruz, on the 35th tradition day of the People's Revolutionary Armed Forces of Kampuchea (June 19).

Gen Raul Castro Ruz expressed the firm solidarity of the Cuban Revolutionary Armed Forces with the Kampuchean Revolutionary Armed Forces and wished the Kampuchean Army new greater victories.

DEPUTY MAYOR OF PRAGUE VISITS HAVANA

FL241903 Havana Radio Periodico del Aire in Spanish 1600 GMT 24 Jun 86

[Text] Martin Poliak, deputy mayor of Prague, capital of the CSSR, has had a cordial exchange of opinions with Reynel Regal, vice president of the Provincial Assembly of the People's Government [APPP] at Havana's APPP headquarters. The visitor is in Cuba to attend the opening of the restaurant named after the beautiful European city in addition to fulfilling a work schedule at the invitation of the APPP and the Ministry of Domestic Trade.

FELIPE GONZALEZ RECEIVES RODRIGUEZ LLOMPART

FL241754 Havana Television Service in Spanish 1700 GMT 24 Jun 86

[Text] Today, at the Moncloa Palace in Madrid, the president of the Spanish Government, Felipe Gonzalez, received Minister President of the National Bank of Cuba Hector Rodriguez Llompart. At the meeting, commercial, economic, and financial matters of common interest were discussed. The Spanish chief executive and Rodriguez Llompart also discussed aspects of bilateral relations in general. The interview took place in a cordial and friendly manner.

GOVERNMENT REITERATES POSITION ON OLYMPIC GAMES

FL242154 Havana Radio Reloj Network in Spanish 2045 GMT 24 Jun 86

[Text] We will not play the game of those who want to keep the Korean people divided, said Council of Ministers Vice President Jose Ramon Fernandez, who reiterated that Cuba will not participate in the next Olympic Games if they are not held in both parts of Korea. Responding to sports journalists in Santiago de los Caballeros in the Dominican Republic, Fernandez, who is also our party's alternate Politburo member, said we should oppose those Olympic Games which deceive the reunification wishes of the Korean people.

For Cuba and many other countries, there is only one Korea, and we believe the Olympic Games can help to unite that nation, Fernandez said. We are also against the professionalization of sports and the commercialization of the Olympic Games. We believe that if there are economic benefits, they should be distributed among the most needy countries, Jose Ramon Fernandez added.

DELEGATION ARRIVES IN DOMINICAN REPUBLIC

FL240220 Havana Television Service in Spanish 0000 GMT 24 Jun 86

[Text] Vice Foreign Minister Jose Ramon Fernandez arrived today in Santiago de los Caballeros [Dominican Republic] at the invitation of the committee organizing the Central American and Caribbean Games.

Oscar Fernandez Mell accompanied Ramon Fernandez on the same flight. Fernandez Mell is president of the Havana Provincial Assembly of the People's Government. He will present the banner to the Santiago de los Caballeros mayor during the opening ceremony of the games.

Alberto Juantorena, former 800-meter world record holder and current INDER [National Institute of Sports, Physical Education, and Recreation] vice president, also arrived on the same plane at the invitation of the organizing committee.

The Cuban delegation was greeted on Dominican soil by INDER President Conrado Martinez and Olympic Coimmittee President Manuel Gonzalez Guerra.

CEMA TRANSPORTATION MEETING BEGINS IN HAVANA

FL242250 Havana Radio Periodico del Aire in Spanish 2130 GMT 24 Jun 86

[Text] The exchange of experiences on increasing and exploiting transportation is one of the goals of the 75th meeting of the CEMA Permanent Commission for Transportation Cooperation which began today in Havana's Palace of Conventions. The meeting will conclude 27 June.

Among the participants are the transportation minister from the Polish People's Republic and transportation vice ministers from the Soviet Union, Bulgaria, Mongolia, Romania, Hungaria, Yugoslavia, the CSSR, Cuba, and the GDR.

CULTURE MINISTER SPEAKS AT EDUCATION MEETING

FL242258 Havana Radio Periodico del Aire in Spanish 2130 GMT 24 Jun 86

[Excerpt] Armando Hart Davalos, Politburo member and culture minister, has participated in the opening ceremony of the second meeting on Latin American and Caribbean peoples' education. Representatives from 28 institutions from 14 countries are participating in the meeting.

VIOLENCE BREAKS OUT AFTER NATIONAL ELECTIONS

2 Killed in Electoral Dispute

PA240418 Buenos Aires REUTER in Spanish 2300 GMT 23 Jun 86

[Excerpts] Santo Domingo, 23 Jun (REUTER) -- An intense shootout broke out today between two rival factions outside the Electoral Tribunal, and according to radio reports at least two people were killed as a result of that action.

The shootout began when a group of municipal workers protested the results of the May general elections that granted Rafael Corporan de los Santos of the opposition Social Christian Reformist Party (PRSC) victory in the Santo Domingo intendency election, eyewitnesses reported.

The workers maintained that the election was won by Rafael Survevi Bonilla, current tourism minister, who was a candidate of the ruling Dominican Revolutionary Party (PRD).

Five Killed at Rally

NC240740 Paris AFP in English 0725 GMT 24 Jun 86

[Text] Santo Domingo, June 24 (AFP) -- Five people were killed here Monday when police and troops opened fire on supporters of the Dominican Republic's defeated outgoing government, demanding decisions on close results in the Caribbean Republic's recent general election.

Some 200 demonstrators gathered outside the offices of the National Electoral Commission calling for action as President Salvador Jorge Blanco's wife Asela presented documents to commission officials claiming victory for herself in a Senate race.

The commission has declared few results so far in the May 16 elections, though the ruling party's presidential candidate, Jacobo Majluta, has conceded victory to the rightwing, virtually-blind 78-year-old former head of state Joaquin Balaguer.

Mr. Majluta's Dominican Revolutionary Party (PRD) called for an immediate investigation of what they charged was overreaction by the police and troops. PRD supporters occupied the national cathedral last weekended in protest against a commission ruling that the opposition had won the mayoralty of the capital. They said the commission was refusing to recognize support from small party candidates which would give their man victory.

Police: No Comment

FL241658 Santo Domingo Cadena Brea Pena in Spanish 1600 GMT Jun 86

[Text] Today the police have given no explanation of the bloody events that took place yesterday at the Central Electoral Board, in which at least 5 persons were shot to death and more than 25 were wounded.

Reporters have not been able to ask any questions of the public relations office of the institution because its chief, Colonel Achiles Gomez, [word indistinct] in the violent incidents opposite the Central Electoral Board [word indistinct] machine-gunned a multitude of members of the PRD that went to the electoral board to defend the candidacy of Dr Rafael Bello Bonilla. Because of the machine-gunning, last night three men and two women had died, [passage indistinct], all members of the ruling PRD.

By noon, the police had not released any report to the press on the tragedy that took place at the Central Electoral Board.

President Fires Police Chief

PY242359 Paris AFP in Spanish 2306 GMT 24 Jun 86

[Text] Santo Domingo, 24 Jun (AFP) -- General Marino Polanco, commander of the Electoral Military Police, was fired today due to the incidents that occurred on 23 June in front of the Electoral Court, where five militants of the governing Dominican Revolutionary Party, PRD, died.

The decision to fire Polanco, which was made by President Salvador Jorge Blanco, was made known just a few hours before the beginning of the Central American and Caribbean Games, which began today at Santiago de los Caballeros.

The government's decision has provided a respite in the political crisis that was unleashed on this Caribbean island after the conclusion of the 16 May general elections.

On 23 June PRD militants gathered in front of the Electoral Court to protest the results of the Santo Domingo mayoral and Senate seat elections, which were disputed by the governing party and by the Social Christian Reformist Party, whose candidate -- Joaquin Balaguer -- won the elections.

The security forces reacted to the protest, and an incident occurred in which five persons died. The harsh reaction of the security forces brought expressions of disapproval from all sectors, including the first lady, Asela Mera de Jorge, who entered the building to submit documents making her the winner of the capital's Senate seat.

Two strikes that had been scheduled for today in the public transport and port workers sectors failed because the government declared today as a nonwork day, and the population took advantage of the day to visit Santiago, where the Central American and Caribbean Games were inaugurated.

Army Occupies City Hall

PY250255 Paris AFP in Spanish 0147 GMT 25 Jun 86

[Text] Santo Domingo, 24 Jun (AFP) -- The Army today occupied the Santo Domingo City Hall as a preventive measure in view of possible demonstrations to protest against the machine-gunning demonstrators yesterday. City Hall employees were protesting against the national district electoral court decision regarding which candidate won the elections of 16 May.

As a result of the machine-gunning of the demonstrators, which was carried out by police forces, 5 persons were killed, and 20 others were seriously injured. The tragic demonstration was held because of the national district electoral court decision which granted the victory to the candidate of the opposition Reformist Party, Rafael Corporan de los Santos, instead of the candidate of the official Dominican Revolutionary Party, Rafael Suvervi Bonilla.

A little after his proclamation, which is subjected to the confirmation of the Central Electoral Court, Corporan de los Santos said that he will fire all those city hall employees who are loyal to the ruling party and that they will be replaced by his followers. This statement motivated the protest which concluded with a shooting at point-blank range when the demonstrators refused to heed to the police orders to leave the front of the Central Electoral Court.

The occupation of the City Hall installations took place early this morning in a fast military operation that affected particularly the City Hall cleaning departments, where most of the demonstrators work.

The tragedy was in today's newspapers headlines. The newspapers requested exemplary punishments against those responsible for the tragedy and criticized the Dominican Revolutionary Party which yesterday said it did not have control over its militants.

Meanwhile in Santiago, the second largest city of the country, (165 km north of Santo Domingo) President Salvador Jorge Blanco declined to comment on the tragic incident on the eve of the opening of the XV Central American and Caribbean games, while there is great expectations on the result of the investigations that have been ordered regarding this incident.

A little after the shooting, Jorge Blanco established an investigative commission that is made up of high-ranking military and police personalities in his administration and promised to enforce harsh punishments against the people who were trigger-happy.

This tragedy is part of a series of public incidents that resulted from the suspense created by the central electoral court which had not made a definitive decision 38 days after the elections were held because of confusing situations that resulted from the different party alliances that were backing each candidate.

GOVERNMENT ESTABLISHES RELATIONS WITH SDAR

PY250235 Paris AFP in Spanish 0112 GMT 25 Jun 86

[Text] Santo Domingo, 24 Jun (AFP) -- The Dominican Republic has established diplomatic relations with the Government of the Saharan Arab Democratic Republic [SADR]. It is the 18th Latin American country to recognize the independence of the old Spanish Sahara. This decision was jointly announced by the Foreign Relations Secretariat and the SDRA Government. Thus far the SDAR has been recognized by Mexico, Costa Rica, Nicaragua, Panama, Venezuela, Bolivia, Guyana, Suriname, Cuba, Grenada, Jamaica, Dominica, St Lucia, Ecuador, Peru, Colombia, and Guatemala. The SDAR proclaimed its independence in 1976, and its independence day is celebrated on 27 February, as is the Dominican Republic's. The Dominican Foreign Relations Secretariat failed to mention whether the two countries will appoint ambassadors.

CARIBBEAN LAW MINISTERS DISCUSS DRUG PROBLEM

FL202048 Bridgetown CANA in English 2009 GMT 20 Jun 86

[By Ernie Seon]

[Text] Castries, St Lucia, June 20, CANA -- Caribbean law ministers meeting today to devise a joint strategy to combat drug trafficking were told they have been slow in responding to the crisis.

Our countries have been relatively slow in dealing with the drug crisis, as we are still caught with legislation which is outdated, providing inadequate penalties, and an inadequate framework for the law and enforcement efforts in all levels, said Deputy Caricom Secretary General Louis Wiltshire. He told attorneys-general of Caricom (Caribbean Community) that this trend must be reversed if the region was to eradicate the scourge which is effecting us.

The conference by the ministers was preceded by a series of preparatory meetings of legal, airline, customs, and police officials.

Wiltshire said that the assumption by more powerful neighbours that Caribbean countries were tardy in dealing with the drug trade placed the area in a very uncomfortable position. However, he said, this plus the fact that some of the territories were being used as drug transit points did not support the international community's assessment that Caribbean countries indirectly assisted drug traffickers. It has therefore become a matter or urgency for the leadership of our countries' to send the clearest possible signals to the public and the international community at large as to the abhorrance with which this new scourge is regarded, he added.

Wiltshire said Caricom needed to reserve the strongest defence against those who were at the heart of the illicit traffic. For them it is clear we must ensure both adequate arrangements in our law enforcement and adequate penalties to ensure that they are under no illusion as to what the consequences will be, he said. The Caricom official said any programme must also take into account the devastation caused by increasing drug usage and appropriate arrangements must be made for victims of the users.

In his address St Lucia's Attorney-General Leonard Riviere said the geographical location of the islands provided easy assess to drug traffickers. In addition, he said Caricom lacked the means of detecting and confronting aircraft and ships which take advantage of the various unguarded coves and bays. However, Riviere said there was still hope that the war can be won. Riviere said he saw no reason why, we, as a region, cannot exchange information on persons whom we know are confirmed or suspected drug trafficers.

Caricom Agrees on Program

FL241835 Bridgetown CANA in English 1735 GMT 24 Jun 86

[Text] Georgetown, Guyana, June 24, CANA -- Caribbean Community (Caricom) attorneys-general have agreed to a multi-sectoral action programme to fight the abuse and trafficking of drugs in the region, ther Caricom Secretariat here said today.

At a meeting held in St Lucia last week. they agreed on the need to update and strengthen national legislation for enforcement, penalties and detection procedures against drug trafficking, to develop mutual assistance arrangements and to strengthen support services for manpower, equipment, training, education and research.

The attorneys general also undertook to recommend to next month's Caricom heads of government, a series of preventive and rehabilitative measures, a secretariat statement said. Information collating and sharing were highlighted as a major activity to enable the authorities to keep abreast of contemporary drug matters, it added.

At the international level, the attorneys-general noted the importance of the draft scheme for mutual assistance on criminal matters in Commonwealth countries and agreed on the need to develop a common position for the forthcoming United Nations world conference on drug abuse.

The mandate for a comprehensive look at the drugs problem in the community derived from discussions in the past year of Caricom heads of government, foreign ministers and health ministers.

Prior to the meeting of the attorneys-general, regional officials for two days focussed on the perspectives of comptrollers of customs, commissioners of police, senior legal, airline and airport security officials. They first met individually in their four specialist areas and subsequently jointly. The meeting of Caricom attorneys-general drew representation from 11 member states of the community under the chairmanship of Leonard Riviere, the attorney-general of St Lucia.

CARICOM SECRETARIAT REPORTS ON TRADE DECLINE

FL192206 Bridgetown CANA in English 2141 GMT 19 Jun 86

[Excerpt] Georgetown, Guyana, June 19, CANA -- The Caribbean Community (Caricom) Secretariat today reported that the rate of decline in intra-regional trade had slowed in 1985. A Secretariat trade spokesman said that, according to figures now available, intra-regional imports by the 12 common market members dropped by just over three per cent compared with 1984. Imports totalled EC1,159.5 million dollars last year and 1199.2 million dollars the year before.

The spokesman said that the rate of decline in 1984, when compared with intra-regional imports for 1983, had been 10.9 per cent. He said that an earlier projection based upon intra-regional imports for the first nine months of 1985 suggested that the 1985 performance might have been encouraging.

He said that the rate of decline during the second half of 1985 was clearly less steep than during the first half. There is reason to hope for a further improvement of intra-regional trade, said the Caricom official.

Jamaica's foreign trade minister said this week that with the full implementation of the 1984 Caricom-Nassau trade agreement, his country expected to see a significant improvement in trade in 1986.

BARBADOS

GOVERNMENT ANNOUNCES NEW APPOINTMENTS

FL241226 Bridgetown CANA in English 2255 GMT 23 Jun 86

[Text] Bridgetown, Barbados, June 23, CANA -- Barbados' one month old Democratic Labour Party (DLP) administration today named veteran trade unionist Frank Walcott, women's rights activist Carmeta Fraser, and one-time attorney General Frederick Smith among its 12 senators for the new five-year parliamentary session opening on Wednesday.

One-time Communications and Works Minister Neville Boxill, prominent businesswoman Gertrude Eastmond, a former junior health minister, and Trevor Prescod, a key aide to ex-Health Minister Don Blackman who defected to the DLP from the then ruling Barbados Labour Party (BLP) before last month's general elections, were also included in the government's 12 member line-up for the upper house.

Three appointments that were announced prior to today were foreign Affairs Minister J Cameron Tudor, who will double as senate leader, Public Service Minister L V Harcourt Lewis, and Anderson Morrison, parliamentary secretary to Prime Minister Errol Barrow.

The remaining DLP senators in the 21-member chamber will be businessman Marcus Jordan, who served in a similar capacity previously, young lawyer David Commissiong, and businessman Amory Phillips.

The BLP, which was defeated by the DLP in the May 28 elections, has named ex-Commerce and Industry Minister Louis Tull and ex-Education Minister Billie Miller as its two nominees.

Governor-General Sir Hugh Springer, exercising his right to appoint persons to represent various community interests, reappointed Anglican priest Canon Ivor Jones, businesman Lionel Ward and journalist John Wickman, who all served in the last senate. The governor-general's four other appointments were Bar Association President Chris Blackman, educator Dr Leonard Shorey, big businessman John Stanley Goddard, and community worker Patricia Forde.

The DLP scored a convincing 24-3 seat win in the elections to oust the BLP after 10 years in power.

The governor-general will officially open the new parliamentary session on Wednesday evening.

TRADE MINISTER DEPARTS FOR CARICOM MEETING

FL242354 Bridgetown CANA in English 2334 GMT 24 Jun 86

[Text] Bridgetown, Barbados, June 24, CANA -- Barbados new Trade and Commerce Minister Evelyn Greaves will lead a four-member delegation to the Caricom council of ministers meeting opening in Guayana on Friday, the government annouced tonight. Greaves will be accompanied at the two-day meeting by Permanent Secretary Harcourt Williams, Comptroller of Customs Jules Jordan, and Carl Hinkson, chief economist in the Trade Ministry.

The meeting is a forerunner to next week's Caribbean Community heads of government summit in Georgetown.

DOMINICA

CNM CALLS ON CARICOM TO DISCUSS NATIONHOOD

FL242342 Bridgetown CANA in English 2310 GMT 24 Jun 86

[Text] St Johns, Antigua, June 24, CANA -- The Caribbean National Movement (CNM), embracing moderate left-wing political parties in the region, wants Caribbean Community (Caricom) leaders to include the subject of Caribbean nationhood on the agenda for their summit in Guyana next week.

Making the call on behalf of the CNM, executive member and oppsition Dominican parliamentarian Rosie Douglas said they regarded a single Caribbean nation as the only logical way forward economicaly, politically, and socially for the region.

The working people and unemployed youths throughout our region who are the main victims of the present deepening economic crisis, are not willing in our opinion to endure forever low living standards and a deterioriation of the quality of their lives..., he said.

Douglas, who was in Antigua on a short visit, told CANA the CNM also wanted regional governments to endorse calls for economic sanctions against South Afria.

ST VINCENT

MITCHELL SUPPORTS POLITICAL UNION OF CARICOM

FL191722 Bridgetown CANA in English 1619 GMT 19 Jun 86

[Excerpt] Kingstown, St Vincent, June 19, CANA -- Prime Minister James Mitchell of St Vincent and the Grenadines stands ready, at any time to support any new effort for a political union of Caricom states, but says he has no intention of initiating any move in this direction.

Mitchell told CANA in an interview that he supported calls by William Demas, president of the Caribbean Developent Bank that members of Caricom (Caribbean Community) should move toward forming one nation. What I would like to know, however, said Mitchell is how many national and regional organisations are prepared to openly identify themselves as being in favour of a federation or some kind of political union.

Demas had suggested that the unity process could start with the seven members of the Organisation of Eastern Caribbean Staes (OECS), of which St Vincent is a member, not later than 1995. Mitchell said that for whatever reason or reasons, Mr Demas has chosen to make such a call at this stage, whether it has to do with pesssimism about the existing arrangements for economic integration, or with problems related to the functioning of some regional institutions, I personally would like to hear what the parties and people of St Vincent and the Grenadines, the people and governments of other Caricom states think about political unity before I decide to become actively involved in the process once again.

TRINIDAD-TOBAGO

POLL SHOWS NAR NOT TRUSTED IN GOVERNMENT

FL241231 Bridgetown CANA in English 0140 GMT 24 Jun 86

[Text] Port-of-Spain, Trinidad, June 23, CANA -- The ruling People's National Movement (PNM) could extend its 30-year unbroken rule partly because of uncertainty over the stength of main opposition National Alliance for Reconstuction (NAR), a new merger of four parties, according to an opinion poll published today.

The TRINIDAD EXPRESS continued publication of the poll it commissioned on the voting intentions and preferences of the local population based on a sample done by the St Augustine Research Associates (SARA).

Forty-five per cent of those interviewed believed that the NAR formation in February was the best development for the country, 30 per cent thought it would collapse and 20 percent said they had no opinion on this at present.

In the first part of the poll, published yesterday, 43 per cent of those polled in May said they would vote NAR, whilst 18 per cent said PNM.

The survey found that 45 per cent of those who originally indicated they would vote PNM said that they would vote in this way because the party was seen as being good for the country. A sizeable 33 per cent said they would re-elect the PNM because the NAR could not be trusted. Further questioning as to why the NAR could not be trusted, 32 per cent gave inadequate ability to govern as a reason, 26 per cent were worried about factionalism within the former four-party grouping, and 16 per cent expresses concern over the race element which many political analysts here fear may play a major factor in forthcoming elections in the multi-ethnic republic.

Of those who said they feared the collapse of the NAR group, 56 per cent saw this happening after the general election due within eight months, and 16 per cent foresaw the collapse before the election. Twelve per cent of those predicting a downfall said the former Organization for National Reconstruction (ONR), one of the most visible of the opposition parties at the last 1981 elections, would seek to take over whilst 16 per cent believed that the central Trinidad-based United Labour Front (ULF) of Basdeo Panday would seek to take over.

In the present NAR structure, the leaders of the former ONR and ULF, Karl Hudson-Phillips and Basdeo Panday are the NAR deputy political leaders under A N R Robinson of the Democratic Action Congress (DAC). The fourth party in the group is the Tapia House Movement.

FBIS DAILY REPORT
CONTENTS

Latin America

Vol VI No 123 26 June 1986

INTER-AMERICAN AFFAIRS

C. American Vice Presidents Begin Meeting [DPA] A 1
    Meeting Extended [ACAN] A 1

ARGENTINA

Peru's Sanchez Comments on Meeting With Alfonsin B 1
$300-Million Joint Plane Project With Brazil [BUENOS AIRES HERALD 19 Jun] B 1
Caputo Ends Tour, Arrives in Buenos Aires B 1
Justice Minister Resigns; Rajneri Successor B 2
Senator Gass on Contaminaton Near Falklands B 2
Radioactive Material Stolen; Warning Issued B 2

BOLIVIA

Barthelemy Says Union Rights Do Not Mean Immunity C 1
    Further on Statement C 1
    Conspirators To Be Named C 2
    COB Responds C 2
    MIR Member Criticizes Minister C 2
Oil Workers Go on 48-Hour Strike Over Wages C 3
    Government Declares Strike Illegal C 3
Police Probing Internal Corruption Charges C 4

BRAZIL

Government Reestablishes Relations With Cuba D 1
Sodre Criticizes South African Racist Policy D 1
Negative Repercussions to U.S. Veto Noted D 1
Guimaraes Returns to Work, Announces Campaign D 1
Farmers Occupy Porto Alegre Assembly D 2

CHILE

Bomb Attacks Reported Near Concepcion E 1
Civic Assembly President on Upcoming Strike E 1

COLOMBIA

Cabinet Ministers Show Solidarity With Betancur F 1
Explosion Causes Building Collapse in Medellin F 1
Minister Calls Guerrilla Actions 'Desperate' [EL SIGLO 19 Jun] F 1
FARC Kills 10 Peasants in Middle Magdalena [EL TIEMPO 21 Jun] F 3
Public Order Situation in Uraba 'Delicate' F 4

Ramirez To Deliver Contadora Act to Shultz F 4
Envoy Denies Soviets Support Rebels F 4
[EL TIEMPO 23 Jun]

PARAGUAY

Further Reportage on Laino Arrival Incident H 1
  Laino Denounces Police Violence H 1
  U.S. TV Equipment Seized H 3
  Official Explains Incident [EL DIARIO 25 Jun] H 3
Police, Students Clash at Hospital de Clinicas H 4
[HOY 24 Jun]
Opposition PRLA Prevented From Holding Rally H 4
[HOY 23 Jun]
Bishops, Newspaper Publishers Discuss Dialogue H 4
[EL DIARIO 24 Jun]

PERU

Commanders Greet Soviet Military Delegation J 1
Salvador's Ungo Attends SI Congress, Meets Garcia J 1
Recent Terrorist Actions, Attacks Reported J 1
Train Bombing Kills 8, Injures 35 in Cuzco J 2
Episcopate Issues Communique on Prison Riot J 2
Lima Mayor Barrantes Will Not Seek Reelection J 3

URUGUAY

Treatment of Deputies in Asuncion Protested K 1
  Foreign Minister on Incident K 1

MEXICO

1986 National Credit Needs Reach $5 Billion M 1
Banks Anticipated Inability To Meet Debt Payments M 1
PRI Leader Discusses Foreign Debt in Lima M 2
Swedish Envoy on Group of Six Meeting M 3
Diplomatic Relations Established With Seychelles M 3
356 kg of Cocaine Seized in San Luis Potosi M 3

CENTRAL AMERICA

EL SALVADOR

Col Vargas on Honduran Border, San Miguel Attack P 1

GUATEMALA

Cerezo Willing To Meet With Guerrillas in Mexico P 2
Gen Hernandez To Seek Support for Condeca P 2
[EL GRAFICO 25 Jun]
Quinonez Says Whereabouts of 6 Cubans Unknown P 3

NICARAGUA

Response to House Action on Contra Aid P 4
  Report on Vote P 4
  Ortega Statement P 4
  BARRICADA Editorial [24 Jun] P 7
  Arce Notes SI Resolution P 8
Contadora Counterproposal Termed 'Counterproductive' P 8
Mercenaries Implicate Costa Rica, El Salvador P 8
Ramirez Returns, Comments on European Tour P 9
  Cites Meeting With Pope P 9
Guatemalan Defense Minister To Visit Managua P 10
UN Advisory Group Condemns Sandinist Regime [ACAN] P 10
New Contra Group Seeks Bermudez' Removal [EFE] P 11
Briefs: Region 3 Malaria Reported P 11

CUBA

Government Reestablishes Relations With Brazil Q 1
Reagan's Contra Aid Speech 'Nothing New' Q 1
Envoy Says U.S. Media Interferes Abroad Q 2
Cooperation Agreement Signed With Zambia Q 2
Fernandez Reiterates Stance on Olympic Games Q 2
Castro Speaks With Assessment Meeting Delegates Q 3
FAR Maneuvers To Strengthen Defense Conclude Q 3

CARIBBEAN

BARBADOS

Parliament Session Opens, Focuses on Economy S 1
Senate President, Assembly Speaker Elected S 2

ST LUCIA

SLP's Hunte Says Party Can Win Next Elections S 2

ST VINCENT

U.S. Fishing Boat Captains Granted Bail S 3

TRINIDAD-TOBAGO

Poll Favors Robinson on Economic Problem Solving S 4

C. AMERICAN VICE PRESIDENTS BEGIN MEETING

PA252346 Hamburg DPA in Spanish 2327 GMT 25 Jun 86

[Text] Guatemala, 25 Jun (DPA) -- The Vice presidents of the five Central American countries this afternoon initiated a 3-hour meeting in Guatemala. During the meeting they will establish the bases for the organization of the Central American parliament agreed upon by the presidents of the area at their area meetings on 24 and 25 May in Esquipulas, Guatemala.

The meeting was opened by Guatemalan Vice President Roberto Carpio Nicolle, who welcomed the visiting dignitiaries: Jorge Manuel Dengo of Costa Rica, Sergio Ramirez Mercado of Nicaragua, Alfredo Fortin of Honduras, and Rodolfo Castillo Claramount of El Salvador.

The vice presidents' meeting was held at the Camino Real Hotel in the Guatemalan capital, and they discussed the only point on the agenda: the creation of the parliament. In the Esquipulas declaration it is established that the vice presidents, of one accord, will propose to their governments within 30 days the formation of a Central American parliament preparatory commission which is to prepare the draft of the parliament's charter withing a period no greater than 90 days after its formation, and that the members of the parliament "will be freely elected by way of direct universal suffrage, in which the principle of participative polititical pluralism will be observed."

Meeting Extended

PA260051 Panama City ACAN in Spanish 0031 GMT 26 Jun 86

[Excerpts] Guatemala City, 25 Jun (ACAN-EFE) -- The vice presidents of Central America, who this afternoon began deliberations in connection with the formation of a commission for the establishment of the Central American parliament, decided to extend their meeting until tomorrow, it was officially reported.

The minisummit of area vice presidents and dignitiaries was installed in the Camino Real Hotel's Independence room in Guatemala City and will continue until tomorrow, Guatemalan Vice President Roberto Carpio Nicolle reported.

The deliberations of the Central American dignitaries had initially been set to conclude at 1800 this afternoon (2300 GMT) with a news conference "to report on the results." However, due to a delay in the vice presidents' arrivals it will end tomorrow," Carpio Nicolle explained. [quotation marks as received]

The Salvadoran, Honduran, Nicaraguan, and Costa Rican vice presidents have not issued any statements, "because we will exclusively discuss the creation of a commission for the establishment of the regional forum," they said before entering the meeting room.

PERU'S SANCHEZ COMMENTS ON MEETING WITH ALFONSIN

PY251302 Buenos Aires TELAM in Spanish 1809 GMT 24 Jun 86

[Text] Buenos Aires, 24 Jun (TELAM) -- Peruvian Vice President Luis Alberto Sanchez stated here today that the Peruvian terrorists did not understand the government's purposes of promoting a pacification by releasing more than 150 untried political detainees. Therefore, this issue is continuing, Sanchez said. Sanchez, a historian and founder of the ruling American Popular Revolutionary Alliance (APRA) party, spoke to the press after meeting with President Raul Alfonsin as part of the visit he is making to Argentina.

Concerning the prevailing situation in Peru, Sanchez stated that it remains unchanged. Investigations are being conducted to check whether there were any abuses in the repression and, if so, the appropriate sanctions will be applied, Sanchez said. He said that terrorism has neither diminished nor increased. It is continuing, Sanchez said, because they (the terrorists) believed that they enjoyed some impunity because the government started releasing 159 untried detainees, expediting the trials so as to end this matter once and for all. THey do not understand, and therefore this issue is continuing, Sanchez added. The Peruvian vice president said that Alan Garcia's image has become much stronger following the measures implemented against the terrorists, because the vast majority of people share the opinion that authority had to be exercised.

Sanchez stated that he conveyed to Alfonsin the greetings of President Alan Garcia and our good wishes for every effort underway in Agentina. The Peruvian vice president stated that he gave Alfonsin a copy of an editorial published yesterday by the newspaper THE WASHINGTON POST which, in his opinion, is a very accurate, objective, and neutral report on the terrorist problem.

In conclusion, Sanchez stated that it was not out of place to congratulate him (President Alfonsin) for the Argentine success in the World Cup because this is not only a national but an international matter, since at this time Argentina is representing America in the tournament.

$300-MILLION JOINT PLANE PROJECT WITH BRAZIL

PY202037 Buenos Aires BUENOS AIRES HERALD in English 19 Jun 86 p 3

[Text] (NA) -- Argentina and Brazil will jointly invest 300 million dollars in a project to build the bi-national light plane Parana, which has been approved by the Defence Ministry, Air Force Chief-of-Staff Ernesto Crespo announced on Tuesday. Brazil will put forth 200 million dollars and Argentina 100 million.

CAPUTO ENDS TOUR, ARRIVES IN BUENOS AIRES

PY251619 Buenos Aires TELAM in Spanish 1403 GMT 25 Jun 86

[Text] Buenos Aires, 25 Jun (TELAM) -- Foreign Minister Dante Caputo returned this morning to Argentina from a tour that took him to Panama, the United States, Switzerland, and France. Upon arriving at the Ezeiza International Airport, he told reporters that everything he did in those countries has already been reported.

Caputo arrived at the airport shortly after 1030 on a regular Air France flight. He then took a car and went to the federal capital. In response to repeated questions from the newsmen, he said he was a bit tired after more than 20 hours of flight.

JUSTICE MINISTER RESIGNS: RAJNERI SUCCESSOR

PY251312 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2221 GMT 24 Jun 86

[Text] Buenos Aires, 24 Jun (NA) -- Presidential spokesman Jose Ignacio Lopez has reported that President Raul Alfonsin this evening accepted the resignation tendered by Education and Justice Minister Carlos Alconada Aramburu. He said Alfonsin has designated lawyer and journalist Julio Rajneri to replace Alconada Aramburu. Lopez added that Alconada Aramburu resigned because of health and family reasons and that Rajneri will be installed next week.

SENATOR GASS ON CONTAMINATION NEAR FALKLANDS

PY251843 Buenos Aires Domestic Service in Spanish 1600 GMT 23 Jun 86

[Text] Radical Senator Adolfo Gass, president of the Senate foreign relations commission, was asked about the charges made by the USSR regarding British nuclear facilities in the Malvinas Islands. When asked if he believes that they could represent another Chernobyl for Latin America, Gass replied that our country has already protested against the existence of this base. Regarding the water contamination in the region, he said that Argentine experts already are studying the subject.

RADIOACTIVE MATERIAL STOLEN; WARNING ISSUED

PY251841 Buenos Aires DYN in Spanish 1529 GMT 25 Jun 86

[Text] Buenos Aires, 25 Jun (DYN) -- A package of highly radioactive material, which poses a serious health hazard for people who may come in contact with it, was stolen last night from inside a vehicle of the National Atomic Energy Commission (CNEA).

A CNEA spokesman reported this today and recommended that the package be returned promptly. The wrapping of the package displays a black clover against yellow background [international radioactivity symbol]. It is not known why the 40 x 40 cm package was inside the official vehicle.

BARTHELEMY SAYS UNION RIGHTS DO NOT MEAN IMMUNITY

PY251402 La Paz La Red Panamericana in Spanish 1700 GMT 24 Jun 86

[Text] President Victor Paz Estenssoro honored with his presence the 160th anniversary ceremony of the Bolivian Police. The ceremony was held at the police academy. The police chief and Interior Minister Fernando Barthelemy delivered speeches.

Minister Barthelemy made a statement that undoubtedly will create a great stir among the people. Barthelemy stated that union immunity is not established in the Constitution. Barthelemy added that so far the government has been tolerant but that the time of consideration has past. He added that the activities of extremist groups that are making great efforts to destabilize the constitutional government of Victor Paz Estenssoro will be revealed.

[Begin Barthelemy recording] Just as we are strict in watching over the behavior of policemen, we are also going to be strict in watching over the activities of any citizen, whatever right he has, and when he goes beyond what can be tolerated in relation to activities that are punishable by law. So far we have been patient with those people who feel endowed with rights that do not represent immunity here or in any other part of the world.

Union rights are recognized in the Constitution as a protection for union leaders during activities in defense of their specific tasks. This precept cannot become a shield to commit crimes. Our security mechanisms are always informed of the steps the extremists are taking in their desperate efforts to justify their [words indistinct]. They work in vain from different points of the country to strengthen the antigovernment forces aimed at eventual plans for conspiracy. The results have been quite negative for the instigators. [end recording]

The interior minister has made serious accusations that certainly will prompt reactions in the next few hours.

Further on Satement

PY251408 Paris AFP in Spanish 2340 GMT 24 Jun 86

[Text] La Paz, 24 Jun (AFP) -- Interior Minister Fernando Barthelemy today reported that an extremist escalation with sinister objectives to create anarchy in the countryside has been unleashed with the purpose of creating the appropriate conditions for a popular uprising against the established government. Barthelemy, speaking on the anniversary of the Bolivian Police, also attacked the union leaderships and the departmental civic committees. He pointed out that the resolutions adopted by peasant leaders rejecting the government tax laws are contradictory and that they are aimed at beginning an extremist escalation.

Regarding the popular consultation being conducted by the Bolivian Labor Confederation (COB) on the foreign debt and tax reform, Barthelemy stated that there is no legal framework for that consultation and that it will not represent the opinion of knowledgeable citizens.

He added that Bolivia is no longer the easy prey of the past that can fall before the arguments of the professionals of international policy. So far, he said, we have been patient with those who feel protected by union rights, which are not a shield to commit crimes.

He said in conclusion that the time has come to put an end to anarchy once and for all in order to give our children a decent and sovereign nationa without any bonds to any kind of imperialism.

Conspiriators To Be Named

PY251943 La Paz La Red Panamericana in Spanish 1700 GMT 25 Jun 86

[Text] Interior Minister Fernando Barthelemy has reaffirmed the important relevations he made during his speech on the 160th anniversary of the Bolivian Police force. Minister Barthelemy said that he is going to reveal the names of several union leaders involved in a plan to overthrow the government.

[Begin recording] [Barthelemy] We are going to be more explicit when we disclose the plan being prepared by many leaders of the COB [Bolivian Labor Confederation].

[Unidentified reporter] [Question indistinct]

[Barthelemy] Yes, when the time comes we are going to be more explicit. We are going to identify the people involved and we are going to reveal all the details of the plan. We do not want to do that until we have all the points and connections fully established. [end recording]

You heard what the minister just said, the government at the appropriate time is going to reveal the names of COB members involved in the subversive plan. So far, said the minister, we are well aware of what these people are doing.

[Begin Barthelemy recording] There are small political groups, not political parties, but small political groups which are obviously committed to this subversive plan. [end recording]

The press and the people are now waiting for Minister Barthelemy to substantiate the serious accusations he has made in the last few hours.

COB Responds

PY251409 La Paz La Red Panamericana in Spanish 1130 GMT 25 Jun 86

[Text] Gonzalo viscarra, one of the leaders of the COB has stated that the current democratic life belongs to the people and the working class, because they are the ones who achieved democracy in a harsh struggle.

Viscarra made this statement in response to the recent remarks of the interior minister, who said that the popular consultation planned by the COB for 25 July is an outrage. Viscarra added that the COB is learning how the people feel about the new tax law that the government is trying to implement after its approval by the legislative branch.

MIR Member Criticizes Minister

PY252205 La Paz La Red Panamericana in Spanish 1700 GMT 25 Jun 86

[Text] The press is beginning to get the first reactions to the speech delivered by the interior minister on the anniversary of the Bolivian Police.

Oscar Eid Franco, a leader of the Movement of the Revolutionary Left, [MIR] made a statement in this regard. He said that the Paz Estenssoro administration is losing its calm. Eid Franco stated that it is important to remain calm at this stage of the process in order to preserve the democratic process. he said:

[Begin recording] The statements made by the interior minister are regrettable. We regret that the interior minister is losing his calmness. What the COB and other parties and institutions are proposing is simply a consultation. This is not a destructive action, it is not an insurrectional or negative action. We recommend that the government approach this consultation with calmness and serenity. By trying to make it illegal and creating a psychological atmosphere against it, all the government is doing is not complying with the principles of a real democratic life. We believe that the consultation is a legitimate, natural, and nondestructive means used by the opposition; therefore there is no need to dramatize this issue. On the contrary, the consultation should be supported so that the people can voice an opinion and the government should await the results calmly. If the results are not favorable to the government, then it should seek the best ways to rectify its policies and establish new lines of communication with the opposition, which is exercizing its rights. The government must keep in mind what the people say about the consultation. [end recording]

This was a reaction from Oscar Eid Franco to the statements made by the interior minister, who labeled the COB consultation about the tax reform subversive.

OIL WORKERS GO ON 48-HOUR STRIKE OVER WAGES

PY251643 Paris AFP in Spanish 1359 GMT 25 Jun 86

[Text] La Paz, 25 Jun (AFP) -- Oil worker leaders today reported that the sector has started a 48-hour strike over salary demands.

The Trade Union Federation of Bolivian Oil Workers (FSTPB) has said that the negotiations with Energy Ministry and Bolivian Government Oil Deposits (YPFB) officials last night failed after the government refused to grant the workers' demands. The strike may cause serious problems to urban and interurban transportation services, which will return to normal only on 27 June.

Government Declares Strike Illegal

PY260255 Paris AFP in Spanish 0001 GMT 26 Jun 86

[Text] La Paz, 25 Jun (AFP) -- It was officially reported here today that the government of President Victor Paz Estenssoro has declared illegal a 48-hour oil workers' strike which began today. The government also called on the Armed Froces to intervene so as to assure the supply of hydrocarbons.

The ministers of energy, labor, and information, Carlos Morales, Walter Rios and Herman Antelo, respectively, have noted that the oil workers' salary demands are unreasonable and not in keeping with the economic situation the country is presently experiencing. They added that the request will not be answered by the government and that the proper measures will be enforced so as to normalize the sale of gasoline for land and air transportation.

For its part, Lloyd Bolivian Airline (LAB) has suspended its domestic flights as a result of the lack of fuel in the major Bolivian airports. Moreover, public transportation in La Paz has notably decreased because of the lack of gasoline.

The Oil Workers Confederation has reported that the strike is being fulfilled with complete normality at both the production centers and the gas stations. It added that if a solution is not found, the oil workers will undertake a general, indefinite strike.

POLICE PROBING INTERNAL CORRUPTION CHARGES

PY252005 La Paz EL DIARIO in Spanish 14 Jun 86 p 3

[Text] The commander in chief of the Bolivian Police has announced that his institution has launched an internal investigation to establish the degree of guilt of some of its members who have been accused of crimes against society. General Julio Vargas stated that he is concerned over public charges of irregularities committed by policemen throughout the nation and promised that each report will be investigated to find out the truth. He reported that some police officers have already been transferred while others have been suspended, relieved, or taken before the discipline board, in order to learn the truth about the alleged crimes.

In Santa Cruz, Officers Wildredo Vaca, Belarmino Franco, and others involved in extortion, receiving bribes, threats and other crimes as reported by departmental civic organizations and the local press, have been relieved of their duties. Colonels Alberto Saavedra and Antonio Rojas have been sent to replace these officers in the Criminal Department. These officers have been instructed to reshuffle personnel and make sure that no more arbitrary actions are committed. Armando Saavedra and Renan Lopez have been appointed to take over the Criminal Department in La Paz

In Cochabamba, two officers were dismissed when it was proven that they were involved in the jail break of two inmates of the departmental prison. They will be tried for breach of discipline and then taken to the regular court.

When asked about the little participation that the state prosecutor has in the punishment of officers who deserve to be prosecuted, the police commander in chief said that the prosecutor is brought in when the discipline board finds enough grounds for it.

According to reports received by the Bolivian Police, there are no "mercenary" groups actively protecting drug traffickers operating in the valleys of Cochabamba, Gen vargas said. The general said that the routine processing of information coming from the interior did not indicate the presence of irregular "mercenary" groups. Gen Vargas said, however, that the reports supplied by some military authorities may be based on the fact that there are groups that are in charge of "security and protection" of drug rings operating in the area.

GOVERNMENT REESTABLISHES RELATIONS WITH CUBA

PY251926 Paris AFP in Spanish 1908 GMT 25 Jun 86

[Text] Brasilia, 25 Jun (AFP) -- Foreign Minister Roberto Abreu Sodre has announced that the Governments of Brazil and Cuba today reestablished diplomatic relations. Brazil and Cuba severed diplomatic relations in 1964 after President Joao Goulart was overthrown.

SODRE CRITICIZES SOUTH AFRICAN RACIST POLICY

PY251129 Brasilia Domestic Service in Portuguese 0000 GMT 25 Jun 86

[From the Congressional Report]

[Text] For many years South Africa has been the victim of the shameful apartheid tragedy. This archaic and inhuman system is based on hateful ideas of superiority and racial segregation, which are the main causes of tension and conflicts in that region. To preserve this system at any cost, serious crimes are being committed by the South African regime against its people, who are now once again submitted to the explosive state of emergency. Foreign Minister Abreu Sodre made this statement today at the opening of the seminar entitled: Brazilian-African Relations, a New Perspective, sponsored by the Chamber of Deputies Foreign Relations Committee, at the suggestion of Deputy Fernando Santana. Sodre reiterated the order outlined by President Jose Sarney that relations with South Africa must be given special and priority treatment. We cannot express a mere platonic solidarity, but a solidarity in real terms, the minister stated, referring not only to the apartheid policy, but also to the problems that country is facing in the quest for development.

NEGATIVE REPERCUSSIONS TO U.S. LOAN VETO NOTED

PY251656 Sao Paulo Radio Bandeirantes in Portuguese 1600 GMT 25 Jun 86

[Text] The U.S. veto of a $500-million loan that the World Bank was to have granted Brazil has caused very negative repercussions in Brasilia. Everything was ready, the guarantees and everything else were in order when the veto came unexpectedly. The loan was to have been used for agricultural projects, but President Reagan decided to veto it on the grounds that Brazil is a competitor of the United States in the food market. The moral to this story: Either we open our market to U.S. computers or we will end up grazing.

GUIMARAES RETURNS TO WORK, ANNOUNCES CAMPAIGN

PY251842 Sao Paulo Radio Bandeirantes in Portuguese 1600 GMT 25 Jun 86

[Relay by Lizia Marques from Brasilia]

[Text] Chamber of Deputies President Ulysses Guimaraes arrived in Brasilia today and announced that he will campaign throughout the country and will pacify the Brazilian Democratic Mobilization Party [PMDB] in the states.

He jokingly said: I will score many goals. He was referring to a statement he made in Sao Paulo that he is in good shape and ready to take a penalty; and that contrary to what soccer player Zico did, he will not fail.

In the afternoon, Guimaraes will meet President Jose Sarney, to whom he will give the results of his medical examinations. Guimaraes is also due to visit Porto Alegre to voice his condolences to Senator Pedro Simon.

In the evening, Guimaraes will meet PMDB leaders to analyze the strategy for the November elections. As for the electoral contest in Sao Paulo, Guimaraes denied that (Orestes Cuesta) no longer wants President Sarney's cooperation for his electoral campaign. He added that he is optimistic about the electoral support the PMDB will receive in Minas Gerais.

FARMERS OCCUPY PORTO ALEGRE ASSEMBLY

PY251128 Brasilia Domestic Service in Portuguese 0000 GMT 25 Jun 86

[Relay from Porto Alegre by Luther Martins]

[Text] In Porto Alegre, landless farmers have occupied the Legislative Assembly in defense of the agrarian reform. The 250 landless farmers from Rio Grande do Sul, who walked 450 km from the farms of (Anone) and Sarandi to Porto Alegre, decided to occupuy the state Legislative Assembly to continue with the set of pressures and demands. Stating that it is a peaceful struggle, with no violence, the farmers said that they will leave the Legislative Assembly -- they have settled in the corridors and halls -- only when the government finds a concrete solution to the initial settlement of the 1,500 families that are waiting at the Anone farm.

Through a committee of deputies, they will transmit to President Sarney demands such as liberation of land, education, nutrition, and medical assistance for 6 months until the first harvest, and land prepared for the first plantation.

BOMB ATTACKS REPORTED NEAR CONCEPCION

PY260350 Madrid EFE in Spanish 0344 GMT 26 Jun 86

[Text] Santiago, 25 Jun (EFE) -- Two bomb attacks were perpetrated during the past few hours in the area of Concepcion, 500 km south of Santiago, damaging a Carabineros post and a high tension line.

The first attack was perpetrated in Lota, near Concepcion, where a 3-kg explosive device destroyed 3 meters of wall of a Carabinero post, without causing any casualties. The perpetrator of the attack managed to flee, despite the fact that some shots were fired from the post.

The second attack was perpetrated in Talcahuano, a neighboring town of Concepcion, where a high-tension pylon was knocked down causing a power outage that lasted 1 hour and 15 minutes in seven neighborhoods.

On 23 June, in the same area, an explosion on the railway line derailed seven wagons of a train transporting cellulose. The explosion caused damage estimated at $30,000 but no victims.

CIVIC ASSEMBLY PRESIDENT ON UPCOMING STRIKE

PY251130 Madrid EFE in Spanish 2343 GMT 23 Jun 86

[Text] Santiago, 23 Jun (EFE) -- Juan Luis Gonzalez, president of the National Civic Assembly (ANC) said today that the general strike scheduled 2 and 3 of July "will be the first great step toward future undertakings." In a press conference granted to foreign correspondents Gonzalez, who is also president of the Federation of Chilean Professional Associations, said that the leaders of the ANC "are prepared to take responsibility for the risks."

When discussing the effects of the strike, the leader said that unfortunately, there has been some violence on earlier occasions but "we are not prepared to tolerate extortion or accept the blame for the violence."

The ANC president said that the general strike that has been called "is the first step, a call to overcome fear. Its objective is to show that the Chileans support the unity initiative of 18 of the largest organizations of the country."

Gonzalez guaranteed that "a social phenomenon, unprecedented during the military regime which took over in 1973," will take place on 2 and 3 July, when the strike is scheduled to take place.

CABINET MINISTERS SHOW SOLIDARITY WITH BETANCUR

PA251316 Bogota Television Service in Spanish 0000 GMT 25 Jun 86

[Text] Today all of the Cabinet ministers signed a statement ratifying their solidarity with President Betancur for the manner in which he acted to overcome the M-19 terrorist action. The ministers studied the report on the incidents at the Justice Palace released by Attorney General Carlos Jimenez Gomez last Saturday, but they disagreed with some of his opinions that did not fully adhere to the principles of law. Finally, the ministers said that now and in the future they will be willing to face any political trial regarding the incident at the palace

EXPLOSION CAUSES BUILDING COLLAPSE IN MEDELLIN

PA251707 Bogota Television Service in Spanish 0000 GMT 25 Jun 86

[Excerpts] Another terrorist act was carried out in Medellin and, according to authorities, the reason was personal revenge. It was said that a bomb was placed inside a Medellin building. The tragedy occurred in northern Medellin, which is mostly inhabited by workers. According to residents, they heard a loud explosion at approximately 0045 and then the three-story building began to collapse.

At the time of the explosion 21 people were inside the building, located at Carrera 72 and 98th Street. Five people were killed, and the rest were injured, some of them very seriously when they were buried by tons of debris.

Ignacio Cardona, his wife Mercedes Ochoa de Cardona, a girl, Maria Cardona, and two elderly people died in this incident.

Accordig to initial investigations, the explosion occurred on the first floor where a furniture store operated. However, there was no specific report on it. Another report stated that cocaine was processed in part of the building and the leftover materials used to process it were flushed down the toilets and this could have caused the explosion. According to a third report, this was an attack on the building's owner who once tried to evict the tenants through a court proceeding. In any event, special investigation units were trying to solve the case tonight.

MINISTER CALLS GUERRILLA ACTIONS 'DESPERATE'

PA260030 Bogota EL SIGLO in Spanish 19 Jun 86 pp 1, 6

[Statement by Government Minister Jaime Castro; dated 17 June]

[Excerpt] Actions and threats directed not only against private citizens, but also against the state and the society as a whole, show that we are facing risks and challenges that are different from the ones we already know. In fact, guerrilla sectors have moved on to perpetrating demented actions that try to destabilize the political system and to frighten and intimidate the good people. That is desperate extremism, and each and every one of us can be its potential victims, including those who are foreign and indifferent to the political process.

Yesterday morning a policeman who was not even a member of the escort assigned to me was shot to death.

He was killed simply because he happened to be passing by the place of the attack. Had God not been with us, the explosives that the guerrillas expected to use in the attack would have blown up numerous houses, causing the deaths of several people.

For that reason it is necessary to become aware of the new challenge and proceed with calm spirits and caution, conscious of our responsibilities. We should act without missing our direction, without falling into the obscure trap that seeks to create chaos, anarchy, and anguish. We should proceed without letting them confuse us, without diverting from our route. That is why we should all respond: The military and civilian authorities, and the national police should act without exceeding their duties, and without abuses, based only on the tools that the legal dispositions and their legitimacy and moral force granted them to fulfill their task; and the civilian population should cooperate and help in the way the law requests and orders it. If we are all united, we can overcome the terrorists; we can do practically everything.

I must add that I have worked without hesitation or reserve in the search for peace, always understanding that peace requires the application of political formulas. That is the thought I followed when I was the minister of justice in 1973. I succeeded in liberating several directors of the Workers Labor Union, who because of a strike were sentenced to a total of 400 years of prison by a summary court martial. Afterward, when I was a presidential adviser, I went to middle Magdalena to talk with the ELN, National Liberation Army. As a senator and political leader, I got involved, at the request of the guerrilla organizations, in the talks which originated the present peace process. During the last 2 years, as the government minister, I have been part of that process. For the success of that process, among other things, I worked in the Colombian Congress to initiate a serious institutional reforms offering those who have a sincere democratic vocation conditions of equality for their participation in public life, and for the efficient presentation of their political proposals. Now is not the time to cite the statutes that comprise that reform. It is enough to say that its validity was proved by the participation of new political forces and new social sectors during the last electoral debates that took place recently.

On all occasions, my actions originate in the very deeply rooted convictions I possess regarding the advantages offered by a democratic system and a legal state, which are instruments that cannot be replaced in the development of any civilized, pacifist, and progressive political activity. In addition, we always acted according to the Constitution and the law, even on those occasions when we talked with the leaders of the guerrilla organizations to try to incorporate them into the country's ordinary, political, and civilian life, through the development of a process. We never represented, nor will we ever represent, interests or purposes different from those of the democratic system, which is subject to precise legal rules, open to reforms, and capable of achieving the economic and social improvement of its community, through its own dynamics.

Regardless of the circumstances, the government will not alter its line of conduct. Of course, I will not alter mine, either.

FARC KILLS 10 PEASANTS IN MIDDLE MAGDALENA

PA251450 Bogota EL TIEMPO in Spanish 21 Jun 86 pp 1 A, 3 A

[By Emilio Guarin]

[Text] Puerto Boyaca, 20 Jun -- Fifty guerrillas from the 11th FARC Front attacked a farm in San Juan, Cimitarra jurisdiction (Santander) killing nine peasants. A guerrilla was also killed. The killings took place at La Cabana Farm, where the administrator, Ernesto Barco, was also killed by the FARC, after a "trial" was held in front of his relatives and some of today's victims.

On that occasion, the guerrillas said they had killed Barco "because he was an informer and because he had sent the military pimps after them."

Today's murders have affected all middle Magdalena due to the way the guerrillas attacked, and the defenselessness of the victims. A survivor, who escaped the attack to a farm where he pretended to be dead [as published], was that the guerrillas used "rockets" and shells to force the peasants to come out into the open, where they were mercilessly machine-gunned down. The attackers left pamphlets and leaflets all over the corpses. The leaflets announced an offensive by the FACR to recover politically and militarily middle Magdalena "which today is in the hands of the MAS (Death to Kidnappers)."

The farm is owned by Jose M. Eliodoro Soto, who was kidnapped by the FARC some time ago. He had to pay a large sum of money to be released. The pamphlets accuse him of being "a well-known Army informer."

The murdered peasants were identified as Orlando de Jesus Jimenez, Elvert Castelblanco, Roosevelt Diaz, Luis Alberto Soto, Alfonso Trujillo, Carlos Julio Paez, Hernan Murillo Jr, Ruben Rangel, and Javier N.

The dead guerrilla was wearing a FARC bracelet and had a Communist Party I.D. with a pricture of Nelson Devia. The I.D. was signed by Gilberto Vieira [secretary general of the Communist Party of Columbia]. It seems that the guerrilla died accidentaly when a shell exploded.

This afternoon the corpses are at the Puerto Boyaca Morgue, and they will be buried tomorrow in a joint ceremony. Sources from the Puerto Boyaca Municipal Liberal Directorate said the victims were liberals.

The directorate made banners which read "FARC murderers" and "communist murderers." The Association of Peasants, Cattlement, and Farmers of middle Magdalena have issued a strong communique to protest this massacre and said that a commission will request a meeting soon with President Belisario Betancur and Government Minister Jaime Castro Castro.

On a clandestine radio station called "La Voz de la Libertad," which has been heard since last month in all middle Magdalena territory, an announcer with a Central American accent has been stressing: "The adults and children cannot continue to be killed by the middle Magdalena communists." The announcer invites the peasants to secure weapons and defend themselves against the FARC.

PUBLIC ORDER SITUATION IN URABA 'DELICATE'

PA251700 Bogota Television Service in Spanish 0000 GMT 25 Jun 86

[Text] Army Commander General Rafael Samudio has stated that the public order situation in Uraba is delicate. Another Army patrol has been ambushed there. One soldier was killed, and six more were wounded. In view of the constant guerrilla attacks on military patrols, Army engineers decided to suspend community projects.

RAMIREZ TO DELIVER CONTADORA ACT TO SCHULTZ

PA251703 Bogota Television Service in Spanish 0000 GMT 25 Jun 86

[Excerpt] Without knowing when the Contadora act will be signed, Foreign Minister Augusto Ramirez will go to Washington to deliver the document to Secretary of State George Shultz. Meanwhile, uncertainty increases throughout the continent about the fate of this document agreed upon by all the countries but criticized now as inoperative and insufficient.

ENVOY DENIES SOVIETS SUPPORT REBELS

PA251852 Bogota EL TIEMPO in Spanish 23 Jun 86 p 3 A

[Text] Leonid Romanov, Soviet ambassador to Colombia, categorically denied any intervention by his country in Colombia's political process and rejected accusations regarding alleged Moscow support for leftist guerrillas. "Our policy is one of noninterference in the internal affairs of other governments; therefore, I can clearly state that we have never interfered in your affairs and will not do it in the future," the diplomat stated, while assessing an increase in subversive activities in Colombia and the possible effects that it may have on Colombia's relations with the Soviet socialist countries.

In an interview to the Grupo Radial Colombia -- the first granted to Colombian media in 8 years of his term -- Romanov played down the importance of his country's absence at Bogota's International Fair as a sign of a slump in the business between the two nations. He denied that there is any Soviet intervention in Central America and praised the Contadora Group's effort, which he said is supported by his country "just as we support every peace effort in the world." Romanov said that the USSR does not interfere in Colombia's domestic affairs and stressed that his country maintains a peace policy throughout the world. He also rejected charges of USSR intervention in Central America and reiterated that the policy of his country is not aimed at running other governments. However, he did not comment on the presence of Soviet-made weapons in a ship seized by the Panamanian Government in its waters.

"We feel that the path to settle regional problems is political. For this reason, we have always supported not only the efforts of Contadora but of anyone who agrees with that group," he said. He also referred to the international effort of the socialist bloc countries and noted that Mikhail Gorbachev has made disarmament proposals that have not been answered by the United States.

FURTHER REPORTAGE ON LAINO ARRIVAL INCIDENT

PY251557 Madrid EFE in Spanish 0143 GMT 25 Jun 86

[Text] Montevideo, 24 Jun (EFE) -- Bruised and in pain, Paraguayan opposition leader Domingo Laino tonight returned to Montevideo after the Paraguayan police resorted to force to prevent him from entering his country at the Asuncion airport.

According to a doctor on duty at Montevideo's Carrasco airport, Laino had multiple bruises on his arms and thorax. The Paraguayan politician was taken to a Montevideo hospital for an X-ray examination to find out whether he sustained internal injuries.

Laino told EFE that the police also beat the two Uruguayan deputies and the U.S. citizens who accompanied him in his fifth attempt to return to Paraguay since he was expelled in 1982. He added that Paraguayan police investigations department chief Pastor Coronel made death threats against him. Laino said that Coronel told him that it would be "dangerous" for him to enter the country and that the investigations department chief then told him in a low voice: "Do not enter, because we can kill you." The Paraguayan opposition leader reported that there were some 50 plainclothes policemen blocking the airport ramp, insulting him and the people who came with him.

A 51-year-old lawyer, Laino is the vice president of the outlawed Authentic Radical Liberal Party (PLRA). Laino said that a bald, tall, "well-known torturer, whose name I do not remember," was the first to beat him, and that Uruguayan Deputies Roberto Asiain and Oscar Lopez Balestra and former U.S. ambassador to Paraguay Robert White were also beaten. He added that the policemen insulted them all and called them "communists" and terrorists." The investigations chief said he assumed "full responsibility for the incident," which lasted almost 30 minutes, Laino said.

The PLRA vice president, who was arrested several times between 1978, when he lost his seat in the Chamber of Deputies, and December 1982, when he was expelled from his country, said that "what is happening in my country is really a shame. They are more savage than they were before."

He said that Uruguayan Deputies Lopez Balestra and Foreign Affairs Committee Chairman Roberto Asiain, former U.S. Ambassador White, and U.S. Admiral John Lee, retired, stayed in Asuncion "to prevent on the incident." Laino and his entourage had left at 1500 GMT on a regular Montevideo-Asuncion flight of the Uruguayan airline Pluna [Uruguayan National Airlines]. Laino returned aboard the same plane.

Robert White was U.S. ambassador to Paraguay during the Carter administration (1976-80).

The regime of General Alfredo Stroessner has ordered that Laino must be forbidden from entering the country. Laino's wife, Rafaela Guanes, and his four children live in Asuncion.

Laino Denounces Police Violence

PY252240 Buenos Aires Domestic Service in Spanish 1600 GMT 25 Jun 86

[Text] I will continue struggling so that all Paraguayans may live in their country, Domingo Laino, leader of the Paraguayan Radical Liberal Party [PLR] said this morning.

As is known, Laino, exiled in Argentina for the last 4 years, was savagely attacked when trying to return to his country. He also reported that they were going to kill him. Laino said that the militarymen's repression was brutal, and he directly accused Paraguayan Police Investigation Department chief Pastor Coronel, who during the clash whispered in his ear that he should leave, otherwise he would have to kill him.

We held an exclusive interview with Domingo Laino who is in Uruguay. He began by speaking of his health:

[Begin recording] [Laino, in progress]... well, then we arrived at the Carrasco airport from Asuncion. I came with an ice bag on my lower ribs, the two last ones, where I was directly punched twice.

I am still in pain, and I am being treated by an Air Force doctor here in Montevideo, where the Uruguayans have greeted me like a friend. This doctor treated me, and then this brilliant Paraguayan Dr Campos Roig, who fortunately was at the airport waiting for me together with other friends, (?sent) me to the Santorio Americano Clinic. There I was examined by another doctor who ordered some X-rays. Looking at the X-rays we could really not see any damage to the bones, but anyway, the blows I received are evident, and I am still in pain. I must return to the Sanatorio Americano Clinic today with this distinguished Paraguayan Dr Campos Roig who has kindly treated me. He has advised me not to travel to Buenos Aires since he hopes to make a second checkup today and examine the area where I was punched, obviously with karata blows, and see how things are. I am also experiencing some pain above the wrists, the right wrist that was bent as I was to falling to the floor. When Uruguanyan Deputy Lopez Balestra tried to help me stand up, he felt a strong pressure on his throat. This made him remove his hand and is why he let me fall on the floor.

The fury with which these repressive elements welcomed us was incredible. They were constantly saying that we are communists, that I would not be allowed to enter the country, but that the members of the delegation could. They were referring to my Uruguayan friends and U.S. citizen Robert White, who along with Admiral John Lee, a distinguished retired U.S. Navy admiral, struggle for peace, struggle against nuclear war, against nuclear tests [passage indistinct].

I was truly deeply hurt as a Paraguayan to see how my fellow citizens hit these foreigners and myself in front of such distinguished personalities.

[Reporter] What are your plans now? After the medical checkup in Uruguay are you planning to return to Argentina, or are you planning to persist in your efforts to return to Paraguay?

[Laino] Depending on the results of the checkups by Uruguayan doctors and also by my personal doctor Campos Roig, I plan to travel to Buenos Aires to contact some Paraguayan opposition leaders and find out what our plans are.

This obviously will not in the least influence our determination to live in our fatherland. Pastor Coronel was personally commanding this repressive action, this primitive action, carried out by these Paraguayan friends; I say friends because one can feel compassion for these men who must hit foreigners and Paraguayans alike to be able to survive, to be able to live.

But we shall continue with our determination, we shall continue our struggle. We shall not yield our objective, which is that every Paraguayan can live in his fatherland. [end recording]

U.S. TV Equipment Seized

PY242312 Asuncion Radio Nanduti in Spanish 2225 GMT 24 Jun 86

[Report from mobile unit at Asuncion's President Stroessner International Airport by station owner Humberto Rubin -- live]

[Excerpt] [Begin relay] [Unidentified reporter] Correspondents of the U.S. television networks NBC, ABC, CBS, and a representative of REUTER press agency also accompanied the delegation [accompaning Laino back to Paraguay]. According to information disclosed by the Uruguayan congressman, the journalists were not able to carry out their job because their equipment was seized.

[Rubin] Whose equipment was seized?

[Reporter] The equipment belonged to the correspondents of the ABC, NBC, and the CBS networks.

[Rubin] The correspondents of the three U.S. networks?

[Reporter] That's right. According to information disclosed here, they were also on the same plane. [end relay]

Official Explains Incident

PY251521 Asuncion EL DIARIO in Spanish 25 Jun 86 p 8

[Text] Interior Ministry Under Secretary Dario Filartiga said yesterday that when Officer Rolando Alum, the deputy security chief at the international airport, was informing Domingo Laino that he could not enter the country, the people who had come with Laino attacked Alum and attempted to forcibly help Laino to disembark. Filartiga said this action prompted the reaction of the Security Forces.

While giving his version of the incidents that occurred yesterday at the Asuncion airport, Filartiga said that when Alum "informed Laino that on orders of the National Government he could not leave the plane, Laino's escorts attempted to forcibly help Laino leave the plane, attacking Alum, injuring one of his hands. In view of this, the police acted harshly to repel the violent attack."

Filartiga said that "the Security Forces merely complied with the government's decision to ban the entry of an agitator who is linked to left-wing sectors and who was not coming to do anything positive, merely to create disturbances." Filartiga also said: "I am surprised at the bellicose spirit shown by these foreigners and at the aggressiveness with which they attempted to ignore a decision of the Paraguayan Government. They went so far as attacking a Paraguayan officer and uttering offensive words against Paraguayan authorities, thus openly interfering in our domestic affairs."

Filartiga added that Laino's escorts did not have problems entering the country and that journalists Eduardo Ponce, Jorge Cazal, and Mario Daniel Staj returned on the same plane "voluntarily."

POLICE, STUDENT CLASH AT HOSPITAL DE CLINICAS

PY241549 Asuncion HOY in Spanish 24 Jun 86 p 46

[Text] Several hundred doctors, nurses and employees of the Hospital de Clinicas, students of the Medical School and other universities, and representatives of sympathetic labor unions yesterday banged empty pots and pans and other objects used at the hospital, protesting the refusal of the Medical School board to pass on to the Finance Ministry the hospital workers' request for salary hikes. The march was repressed, and policemen beat up some of the demonstrators.

The beating of pots and pans occurred from 1100 to 1200. Drivers of various vehicles and buses joined the demonstration by honking their horns. The demonstrators tried to march around the enormous bloc of the Hospital de Clinicas, but upon arriving in front of the morgue they were forced to retreat by the cordon of policemen who were waiting for them, wielding nightsticks and electric truncheons.

The marchers returned to the parking lot in front of the Medical School, still beating the pots and pans, and then started again, as if to march around the school. At this point a new police detachment arrived and some of the policemen beat up several students. Carmen Gomez, a sixth year student, was injured.

OPPOSITION PLRA PREVENTED FROM HOLDING RALLY

PY240049 Asuncion HOY in Spanish 23 Jun 86 p 9

[Text] PLRA [Authentic Radical Liberal Party] leaders yesterday denounced that a group of soldiers prevented [PLRA Political Secretary] Dr Miguel Abdon Saguier from entering the San Pedro del Parana area, where he planned to hold a meeting with local prelates to discuss the suspension of a rally scheduled by the ticket supporting his candidacy as PLRA president. The rally was suspended because its scheduled date coincided with St Peter's holiday festivities.

The PLRA leaders stated that the soldiers claimed that they were following orders issued by the Interior Ministry and that Luis Parodi, a local PLRA leader, has been arrested.

BISHOPS, NEWSPAPER PUBLISHERS DISCUSS DIALOGUE

PY252358 Asuncion EL DIARIO in Spanish 24 Jun 86 p 12

[Text] The publishers of Asuncion newspapers met yesterday with the group of bishops who are working for the national dialogue. The meeting, which was sponsored by the Paraguayan Episcopal Conference (CEP), was attended by Demetrio Rojas (ULTIMA HORA), Dr Hassel Aguilar Sosa (DIARIO NOTICIAS), and Aldo Zuccolillo, of ABC COLOR, a morning newspaper that remains closed. HOY publisher Humberto Dominguez also attended, but left immediately after a short conversation with Msgr Jorge Livieres Banks. Asked why he was walking out of the meeting, Dominguez told reporters: "I am for a frank and open dialogue, provided it is held with publishers who are currently in charge of their papers."

Concerning the meeting and the questionnaire supplied by the CEP, EL DIARIO director Aguilar Sosa said that EL DIARIO did not answer the questionnaire because the newspaper prefers to preserve its independence and freedom of action.

He added that EL DIARIO does not want to give its opinion beforehand, and it expects to properly appraise the significance of the national dialogue. On the other hand, he remarked that his newspaper will continue to publish all relevant material on the subject.

After the meeting, Msgr Livieres Banks, who acted as a spokesman for the bishops, told reporters that "Msgr Benitez and I were glad to receive the newspaper publishers to talk about the national dialogue. This meeting marks the beginning of our work with the media. In this regard, the first thing we did was to stress the importance of the media from the viewpoint of the church and of the national dialogue. We will hold other meetings with representatives of this sector."

He added that the conversation centered around the questionnaire that the church gave to the newspapers for this consultation phase. "We talked about the issues that seem more important, the commitments that the media can assume, and the suggestions that they can make for this initiative, so that the church's efforts yield the best possible results," he said. We agreed on the importancce of this initiative, and we focused realistically on the difficulties that we might have to confront. We also analyzed the best methods to attain the objectives that have been proposed," he stressed. He concluded by saying that "it is no secret" that freedom of the press is an essential issue.

COMMANDERS GREET SOVIET MILITARY DELEGATION

PY251127 Paris AFP in Spanish 1857 GMT 24 Jun 86

[Text] Lima, 24 Jun (AFP) -- Military authorities are maintaining absolute secrecy about the arrival of a Soviet military delegation headed by General Aleksandr Mayorov, which arrived today in Lima. The six Soviet military officers were welcomed at the airport by the commanders of the Army and Air Force, which in the past decade have acquired Soviet arms through a military cooperation program. Airport sources reported that the visit could be related to that program because every year a Soviet delegation arrives for this purpose.

SALVADOR'S UNGO ATTENDS SI CONGRESS, MEETS GARCIA

PY251349 Paris AFP in Spanish 0101 GMT 25 Jun 86

[Text] Lima, 24 Jun (AFP) -- An official source has reported that President Alan Garcia today received Tomas [as received] Ungo in a special audience. Ungo, who is secretary general of the Salvadoran National Revolutionary Movement [Movimiento Nacional Revolucionario de El Salvador] informed President Garcia about the situation in his country.

He particularly referred to the meeting held recently in Lima between the representatives of the Salvadoran Government and the FMLN, of which Ungo's party is the political branch. He described this meeting, which was sponsored by President Garcia, as positive.

Ungo participated in the Socialist International Congress.

RECENT TERRORIST ACTIONS, ATTACKS REPORTED

PY252039 Paris AFP in Spanish 1524 GMT 25 Jun 86

[Text] Lima, 25 Jun (AFP) -- Government official reported in Lima today that five guerrillas, six civilians, and a country governor were killed in a recent clash between an Army patrol and a terrorist group and several other terrorist attacks on various townships on the Andean slopes.

The Armed Forces Joint Command has issued a communique stating that five unidentified terrorists died in an armed clash with a military patrol on 18 June in Tircos, a remote village in Huanta Province, Ayacucho Department. The communique stated that the military patrol was attacked by 60 terrorists and once the attack was over homemade grenades, subersive propaganda and flags were seized.

Meanwhile, five engineers were killed in Tarancahuayta, 127 km south of Ayacucho. The bodies of the engineers showed clearly that they had been tortured, according to farmer Ismael Chipana, who found the bodies.

The report received in Ayacucho stated that the engineers were working in Huancapi Province and that they left for Apongo District 3 days ago and were ambushed by a guerrilla column. The guerrillas tied a sign to the neck of each body that stated: For each combatant killed by the reactionaries, 10 Apristas [members of the ruling party APRA -- American Popular Revolutionary Alliance] like the ones we are leaving here will die.

After receiving the report Ayacucho police officials sent an armed patrol to the area to follow the trail of the Shining Path members who are still wreaking terror and death in the mountains of Ayacucho.

Meanwhile, Pedro Gonzalez, APRA governor of Gorgor Country, Cajatambo Province, Lima Department, and another member of the same party were killed at the village square on 24 June, apparently in revenge for the violent repression of three prison riots in Lima and Callao, according to Jorge del Castillo, prefect of Lima Department.

The Antiterrorist Directorate (Dircote) also reported the arrest of eight extremists suspected of having participated in the occupation of AFP, ANSA, DPA, and REUTER news agencies carried out by Tupac Amaru Revolutionary Movement (MRTA) militants.

The MRTA has also claimed credit for the attack on the police officers club during which a second lieutenant was killed, for the car bomb that went off in the San Isidro commercial district, and for 15 other attacks carried out in Lima and elsewhere in the country.

The provincial state prosecutor of Huanta received a report about three technicians of the Agriculture Ministry who have been missing for 2 weeks. Their relatives fear that the technicians who were working on irrigation projects have been captured by the Shining Path members operating in the area.

TRAIN BOMBING KILLS 8, INJURES 35 IN CUZCO

PY251829 Paris AFP in Spanish 1802 GMT 25 Jun 86

[Text] Lima, 25 Jun (AFP) -- Cuzco Railway Administrator Jorge Michelsen today reported that a bomb attack perpetrated this morning on a train that was taking 60 tourists fom Cuzco to the Machu Picchu ruins claimed the lives of 8 people and injured 35. Michelsen said there are many foreigners among the dead, but that so far only Rosa da Silva of Brazil and Jose Collantes of Peru have been identified.

Among the 35 injured people being treated in two hospitals in Cuzco, 1,115 km southeast of Lima, are 6 Frenchmen, 7 Americans, 1 Belgian, 2 Spaniard, 2 Brazilians, 1 Argentine, 1 Finn, 1 South Korean, and 14 Peruvians. None of them have yet been identified.

The attack occurred at 0825 local time (1325 GMT) when the train was leaving San Pedro station, in downtown Cuzco, for Machu Picchu, the main Peruvian tourist attraction. Officials said the explosion virtually destroyed the train, and he blamed the attack on the Shining Path Maoist organization. The attack caused great commotion in Cuzco, which is full of tourists. Yesterday in the old Inca capital they watched the Inti Raymi celebration devoted to the sun, the most important Peruvian folk celebration.

EPISCOPATE ISSUES COMMUNIQUE ON PRISON RIOTS

PY251616 Lima Panamericana Television Network in Spanish 0300 GMT 25 Jun

[Text] The Peruvian episcopate has issued a communique regarding the recent events in the Lurigancho, El Fronton, and Santa Barbara prisons in which it rejects terror as a means to make changes in the country.

The communique also says that it is unacceptable to answer those who have taken this wrongful path with the same violent means. It says that the threat of death is unconvincing.

A part of the communique's text says: With the same emphasis with which we condemn the terrorist attacks as savage and inhuman methods that must be destroyed, we condemn also all murders, regardless of who is responsible. Finally, the episcopate requests that the prison riots be investigated and clarified so as to punish those responsible, within the established legal framework.

LIMA MAYOR BARRANTES WILL NOT SEEK REELECTION

PY260239 Lima LA REPUBLICA in Spanish 16 Jun 86 p 2

[Excerpt] Lima Mayor Alfonso Barrantes Lingan yesterday reasserted his decision that he will not seek reelection, because, he said: "As things now stand, the Unifed Left (IU) candidate for the Lima City Hall may be a fellow party member from a different faction [avatar]."

He noted that the country requires a renewal of all local governments at all levels and added that this renewal is important so that new people, personalities and political leaders are given a chance.

But he called on all possible candidates for the Lima City Hall, particularly those of leftist trend, to subject themselves to a test and see if they really have the people's support, which he said is essential in any elections.

Barrantes said that "you may be very intelligent, you may have read a lot, and you may even be wise, but nothing helps in politics if you do not have the people's support."

As for his proposal to establish a front for the defense of life, Barrantes announced that he is still receiving support from many people and from many private and public institutions.

TREATMENT OF DEPUTIES IN ASUNCION PROTESTED

PY251729 Montevideo Radio El Espectador Network in Spanish 1600 GMT 25 Jun 86

[Text] The Uruguayan Government has reacted to the incidents that occurred yesterday involving two Uruguayan legislators during the arrival of Paraguayan opposition leader Domingo Laino at the Asuncion international airport.

We have a report by Juan Jose Bossio from the Foreign Ministry.

[Begin relay] The Uruguayan Government today delivered a protest to the Paraguayan Government over yesterday's inhuman treatment of the Uruguayan legislators in Asuncion. Foreign Minister Enrique Iglesias summoned to his office the Paraguayan charge d'affaires, Ambrosio A. Vergara, to convey to him the Uruguayan Government's displeasure. The Foreign Ministry also released an official communique which I will now read:

The Uruguayan Foreign Ministry has learned through its embassy in Asuncion, Paraguay, and the president of the Chamber of Deputies International Affairs Committee, about the serious incidents that occurred on 24 June upon the arrival of the Pluna Airlines regular flight at the Asuncion international airport.

On this occasion the Uruguayan legislators, Roberto Asiain and Oscar Lopez Balestra, were subjected to verbal and physical violence by Paraguayan police officials. This is absolutely incompatible with the civilized treatment that any person arriving to a country with a peaceful attitude deserves, especially when the persons are members of the congress of a country with which normal relations are maintained.

The Uruguayan Government strongly repudiates this attack and has submitted to the Paraguayan Government a formal protest by summoning the head of the Paraguayan mission in Montevideo to make the formal protest. [end relay]

Foreign Minister on Incident

PY260335 Montevideo Radio Carve in Spanish 0000 GMT 26 Jun 86

[Text] Foreign Minister Enrique Iglesias has played down media reports about the position adopted by Uruguayan Ambassador to Paraguay Jorge Pacheco Areco was correct on dealing with the incident experienced yesterday by Uruguayan Deputies Roberto Asiain and Juan Carlos Lopez Ballestra [sentence as heard].

The foreign minister said that the two deputies remain in Paraguay and that he held a telephone conversation with them. Minister Iglesias did not discard the possibility of adopting measures in the commercial sector against Paraguay.

He criticized the actions of the Paraguayan police at President Stroessner airport.

1986 NATIONAL CREDIT NEEDS REACH $5 BILLION

FL251358 Mexico City NOTIMEX in Spanish 0110 GMT 25 Jun 86

[Text] Washington, 24 Jun (NOTIMEX) -- Mexico's 1986 credit needs amount to at least $5 billion, Under Secretary of Finance Francisco Suarez Davila said here today when requesting political concessions from creditors.

Likewise, he indicated that Mexico is seeking a reprogramming of the debt payments to a 3-year term, as well as a new package based on coresponsibility of creditors in the international debt problem. He added that Mexico needs softer payment conditions and that its new capital requirements will increase in 1987 and 1988 to achieve levels that will be in agreement with national growth needs.

In a speech made at a seminar on the World Bank, sponsored by the Foreign Development Committee, a group of U.S. capital researchers, Suarez Davila criticized the policy of linked conditionality [condicionalidad cruzada] of the IMF and World Bank. The losers are the developing countries, the Mexican official said, according to someone attending the seminar, inasmuch as only a few reporters were invited by the organization.

In his speech, Suarez Davila asked that a better balance be developed for the austerity measures being demanded by the IMF in its negotiations and development efforts sought by the World Bank.

According to the source, Suarez Davila asked what would have happened with the reconstruction of Germany and Japan after World War II if they had had to fulfill the demands of such a policy. Within that framework, the official appeared to indicate that the United States had pressured the World Bank into hardening the terms of a $500-million loan for readjustments directed at softening the impact of a Mexican commercial opening.

Suarez Davila predicted that at best the Mexican economy's growth will rewach 4 percent annually in 1987 and 1988. He warned that the nation's plans for liberalizing commerce and tariffs could be in trouble if the country goes into a recession.

Some of the participants in the meeting noted that Suarez Davila's speech had been frank, while others said he had said nothing new.

BANKS ANTICIPATED INABILITY TO MEET DEBT PAYMENTS

FL251346 Mexico City NOTIMEX in Spanish 0130 GMT 25 Jun 86

[By Roberto Gonzalez Perez]

[Text] New York, 24 Jun (NOTIMEX) -- New York Banks have reacted cautiously to the announcement made by the new secretary of finance, Gustavo Petriccioli, that Mexico will be unable to meet its debt payments on the existing terms. The committee of 13 international banks that are in charge of the Mexican foreign debt have indicated that, for the moment, there will be no comment and that the bankers will study the complete text of Petriccioli's statement. However, a banking source said that this manifestation of Mexico's position had been expected for weeks.

The worsening of the Mexican economic crisis was basically due to the abrupt fall in oil prices, which have fallen almost $20 per barrel since last December. The source said that the banks are aware of the fact that Mexico deserves special treatment but fear that the Mexican attitude will be imitated by many Third World nations that are in a similar economic situation.

The committee of banks said that the statement made by Secretary Petricioli was similar to that made by President Miguel de la Madrid on 21 February when he said he would ask Mexico's creditors for a realistic and honorable renegotiation of the debt.

Fearing that other countries will take the same attitude as Mexico, the banks will surely make a lot of noise in the next few days, but they will end up accepting the requirements of the De la Madrid administration under the argument that it is an exceptional situation, without fear of having to do the same with other debtor nations, a Mexican source linked the negotiations said.

Top officials of the principal banks met at least twice yesterday to study the effects of Petricioli's 23 June message to the international banks and to discuss the possibility it would have repercussions similar to that of the domino theory.

According to a citibank source, Mr Williams Rhodes, president of the committee of 13 international banks, continues to be optimistic regarding the Mexican Government's reaching an agreement with the IMF, and that the talks with the New York banks can begin the 3d week in July.

Another source said Mexico will probably suspend debt service payments temporarily for 2 or 3 months to provide time for the implementation of the new negotiating conditions.

In accordance with data requested by NOTIMEX, the commercial bnaks that are Mexico's creditors are ecnomically capable of absorbing the loss of earnings that may be involved in the Mexican Government's modifying its conditions of payment.

In recent weeks, the banks and even the chief of the Federal Reserve, Paul A. Volcker, have said repeatedly that a possible failure of Mexico to continue making debt payments would be manageable because the resurgence of the U.S. ecnomy and the drop in interest rates have caused bank income to rise. Obviously, it is not pleasant for the banks to learn that a principal client such as Mexico can no longer pay on the terms already agreed on, but at the same time it is a relief for them to know that it is not a question of nonpayment, a Mexican source has said. It maybe painful, he added, but the centers of banking capital are in a better economic situation to accept the conditions fixed by Mexico to develop its economy and achieve renewed growth starting next year.

PRI LEADER DISCUSSES FOREIGN DEBT IN LIMA

PY241600 Lima Panamericana Television Network in Spanish 0300 GMT 24 Jun 86

[Text] Porfirio Romero, leader of the PRI, believes that the main problem to be solved in Latin America is that of the foreign debt. Romero, who participated in the SI congress in Lima, said that by solving the foreign debt problems, all the other problems, including terrorism, will also be solved. Romero proposed that the foreign debt problem should be solved through a multilateral dialogue between creditors and debtors. He said that no debtor country should pay more than a certain percentage of its income form exports, just as the case of Peru.

SWEDISH ENVOY ON GROUP OF SIX MEETING

FL251658 Mexico City NOTIMEX in Spanish 2237 GMT 24 Jun 86

[Text] Mexico City, 24 Jun (NOTIMEX) -- The Swedish Ambassador to Mexico, David Wirmark, has said the Group of Six must draw up its petitions prior to the meeting of the presidents [as received] of the United States, Ronald Reagan, and the USSR, Mikhail Gorbachev.

The Swedish diplomat said his country has already received an invitation from Mexico to attend the meeting to be held on 6 August in the Mexican port of Ixtapa Zihuatanejo. He said that a preparatory assembly has been called for late June in Tanzania and that at this assembly a decision will be made regarding the meeting that Argentina, Tanzania, Greece, Mexico, and Sweden will hold in this country.

Wirmark said the Contadora Group is the only hope for a peaceful solution in Central America, and that Contadora's actions are always important. Speaking of Contadora's final peace proposal, he said that Sweden, which is a pacifist country, hopes that an agreement leading to lasting peace in the area will be reached soon.

DIPLOMATIC RELATIONS ESTABLISHED WITH SEYCHELLES

FL251806 Mexico City NOTIMEX in Spanish 1620 GMT 25 Jun 86

[By Fernando Magdaleno]

[Excerpts] Mexico City, 25 June (NOTIMEX) -- The Governments of Mexico and Republic of Seychelles have decided to establish diplomatic relations at the ambassadorial level retroactive to 1 June, under the conditions of respect, equality, and self-determination of the peoples.

When it made this announcement, the Secretariat of Foreign Relations said that in this way Mexico is widening its cooperation and understanding with other states of the international community that support peaceful coexistence as established by the UN Charter.

Ten years after achieving independence, Seychelles has established relations with Mexico. On the domestic front, Seychelles gives priority to agriculture and fishing to achieve self-sufficiency in food and is struggling to combat unemployment, which affects more than one-half of its active population.

356 KG OF COCAINE SEIZED IN SAN LUIS POTOSI

PA252104 Mexico City XHDF Television Network in Spanish

[By Manuel Almedra]

[Excerpt] The Federal Narcotics Police have dealt another heavy blow to drug trafficking, as 356 kg of pure cocaine were seized at the Tamuin airport in San Luis Potosi State. The month-long investigation conducted by the Federal Judicial Police in clandestine airstrips in Huasteca paid off.

EL SALVADOR

COL VARGAS ON HONDURAN BORDER, SAN MIGUEL ATTACK

PA252241 San Salvador Radio Cadena Sonora in Spanish 2230 GMT 24 Jun 86

[Interview with Colonel Mauricio Vargas, commander of the Armed Forces in Morazan Department, by unidentified reporter; date and place not given -- recorded]

[Excerpts] [Reporter] It has been said that the Salvadoran and Honduran Armies have informally agreed to conduct military operations in the famous pockets in dispute between Honduras and El Salvador. What can you tell us about this, Colonel?

[Vargas] I think my former statements regarding the border with Honduras have been misinterpreted. This case is in the hands of the International Court of Justice and will be handled through the peace treaties. The peace treaty determines the provisions by which the two countries should abide. We have recieved instructions from the Foreign Ministry and the Armed Forces' High Command. They have determined parameters and [words indistinct]. The area in question is a demilitarized zone. It has continued to be so, so far.

[Reporter] You have mentioned dialogue. Many no longer believe in dialogue. We will make a survey about this, here at this radio station, one of these days. However, it has been said lately that the guerrilllas have been weakened due to the Army's offensive and that the rebels have always been on the defensive. Consequently, the guerrillas' attack on the San Miguel garrison was a surprise, with the results that you already know. How do you explain this, from a military point of view?

[Vargas] No doubt, it is logical from a political viewpoint, considering that the dialogue is approaching. The guerrillas tried to execute an action to at least show that they are prepared to sit down and hold discussions with authority. Strategically speaking, our operations north of Morazan and Chalatenango Departments, the "Phoenix" operation, have dealt heavy blows to these areas that are valuable for the terrorist criminals. This is why they have tried to execute actions to make it appear they hold the upper hand. Also, from a propaganda point of view, the action that they executed can be exploited. I would describe it, not as a military action, but rather as a crime because to attack sleeping and unarmed people cannot be described as a military operation. Should I send my men to Perquin so that all those who arrive will be killed, this would be tantamount to committing suicide.

I think this action can be considered from various angles. Personally, I feel this action can be explained politically, militarily, and internationally, which is to say from a propaganda point of view. As for the results of this action, you mentioned them yourself a moment ago. I do not think this has showed the guerrillas' military ability. Military actions occur between combatants. Nevertheless, to kill sleeping people and nurse assistants only beause they were at a barracks is definitely outside international conventions, by which the guerrillas themselves try to abide. This is why I feel objective evaluations must be made to determine what is going on.

[Reporter] Colonel, you do not seem to regard the guerrillas' military position as very strong.

[Vargas] The guerrillas' military ability is deficient. As I said before, their ability is limited to carrying out terrorist actions, violence, and crime, but not truly military actions, that is, combatant against combatant. This could be compared to some terrorists' surrendering to us and our shooting them all. This does not indicate our military capacity, but the ability to kill a defenseless person in cold blood. These people the guerrillas killed were unarmed. This could be explained as trying to achieve the best possible results with the lowest possible cost. A truly military leader does not envision his soldiers as becoming human bombs, after being drugged, to be killed inside facilities. The military leader's mission is quite different. It is to lead his men to victory with the least possible cost to his men.

[Reporter] Finally, have you considered the possibility of being attacked by the guerrillas in Morazan?

[Vargas] As we have said, we feel we also have been threatened. Guerrillas have machinegunned buses and wounded passengers. Security has been threatened. I feel we all are worthwhile targets. This is why we must take security measures to prevent these people from continuing to spread terror.

[Reporter] The guerrillas have said they do not recognize the president's authority or the Constitution. This has caused some confusion and has led people to address questions to this press department. If this is so, how can we hold a dialogue with the guerrillas? We all want peace, but there is confusion. The guerrillas refuse to accept the president or the Constitution. Last week we interviewed Dr Castillo, who said she advocated a military solution. What is the military's opinion?

[Vargas] First of all, the appeal to a dialogue is right because the president must use all means available to shows, both here and abroad, that he really wants peace and that he is willing to make all possible efforts for this, in the framework of democracy and our institutions. I feel that to advocate a military solution is a mistake because the problem is not a military one. The problem must be resolved according to its nature. May I repeat, if the problem is not a military one, a military solution cannot be applied to it.

GUATEMALA

CEREZO WILLING TO MEET WITH GUERRILLAS IN MEXICO

PA251813 Guatemala City Radio Nuevo Mundo Network in Spanish 1200 GMT 25 Jun 86

[Text] President Vinicio Cerezo Arevalo is willing to speak with the guerrillas in Mexico. Foreign Minister Mario Quinonez Amezquita told journalists yesterday that if the guerrillas who reside in Mexico want to speak as Guatemalans with President Vinicio Cerezo Arevalo during his trip to that sister country, they can do so. The foreign minister added that because the current government is eminently democratic, President Cerezo Arevalo might hold a reception in Mexico for the Guatemalans, whether they have taken asylum there or not.

GEN. HERNANDEZ TO SEEK SUPPORT FOR CONDECA

PA252013 Guatemala City EL GRAFICO in Spanish 25 Jun 86 p 12

[Text] Guatemala City, 25 Jun -- Defense Minister General Jaime Hernandez Mendez confirmed yesterday at a news conference that Guatemala is interested in the reactivation of the Central American Defense Council (Condeca), an organization that is not now active.

The minister said he is planning a trip through Central America to hold talks with the defense ministers regarding this topic. He recalled that Condeca has not met in 8 years. He said that the last meeting on this topic was held by himself and the Honduran and Salvadoran defense ministers in Esquipulas, but in an informal manner.

Gen Hernandez Mendez said that his trip includes Nicaragua becuase he was invited especially by President Daniel Ortega. This invitation was accepted on the condition that it would be without any limitations, a condition that Ortega accepted. The defense minister said that no other Condeca meeting has yet to be held but that after his tour of Central America and after talking with all the Central American defense ministers, a meeting might be held in Guatemala, headquarters of the council, at a date yet to be set.

Gen Hernandez Mendez said that Nicaragua can naturally participate in this meeting because it is a member of the council and to date has not requested withdrawal.

QUINONEZ SAYS WHEREABOUTS OF 6 CUBANS UNKNOWN

PA260036 Madrid EFE in Spanish 2320 GMT 25 Jun 86

[Text] Guatemala City, 25 Jun (EFE) -- Today official sources have affirmed that the six Cuban citizens who had requested political asylum from Guatemalan Government have disappeared from the hotel where they were lodged. Foreign Minister Mario Quinonez Amezquita said that the Interior Ministry has reported that they have no indications of the whereabouts of the six Cubans who requested asylum from the government. The government had granted a permit for a 5-day stay in the country.

Quinonez explained that Cubans Nino Sergio Alberto Fernandez, Eulalia Valdez Forte, Maria del Carmen Pena, Sandra Maria Rojas Gonzalez, Mirta Gonzalez Garcia, and Humberto Rojas Infantes arrived in Guatemala on 19 June.

The Guatemalan foreign minister said that the Cubans had arrived from El Salvador and requested from the government of Vinicio Cerezo a "permit, not asylum, because one of them was sick." Quinonez said that the government had "granted the permit for 1 week, but now the whereabouts of the Cuban citizens is unknown because they have disappeared from the hotel in which they were lodged." The foreign minister added that security forces are carrying out investigations to find the Cubans.

The Guatemalan authorities do not know how the Cubans escaped from Cuba and reached San Salvador. They were transported from San Salvador to Guatemala in a private plane by Guatemalan pilot Oscar Alvarado Lara. Immigration sources who requested not to be identified said: "We do not know how they contacted pilot Alvarado [words indistinct] to the Bahamas and Costa Rica, where the authorities denied them political asylum."

NICARAGUA

RESPONSE TO HOUSE ACTION ON CONTRA AID

Report on Vote

PA260330 Managua Domestic Service in Spanish 0304 GMT 26 Jun 86

[Text] Paying no attention to calls for good sense and respect for international law made by various sectors in the world, including a high percentage of the U.S. people, the U.S. House of Representatives tonight approved President Ronald Reagan's request for $100 million to continue the war of aggression against Nicaragua. Twelve representatives decided the voting in favor of financing the war and stepping up the Central American conflict.

The approved amendment will permit the CIA to resume the direction of the contras, the Pentagon to give military training to the murderers, and the delivery of light weapons beginning in September and heavy weapons beginning in October. For the first time in U.S. history, a congress has approved and supported militarily a force trying to overthrow a legitimate government with which it maintains diplomatic relations.

The contras will recieve $40 million from the U.S. taxpayers immediately after the law is approved by the Senate. The second sum will be $20 million to be delivered on 1 October, and the third will be $40 million in heavy weapons. As a prize for the support received from the Reagan administration, the pro-U.S. countries will receive an economic aid package of $300 million. In other words, they always opposed any Nicaraguan initiative.

Ortega Statement

PA260525 Managua Domestic Service in Spanish 0451 GMT 26 Jun 86

[Statement by President Daniel Ortega on 26 June in Managua -- recorded]

[Text] Good evening. The vote in the U.S. House of Representatives on the proposal to finance the mercenary forces made by the President of the United States concluded approximately 15 minutes ago.

In view of the fact that this issue directly affects peace in Central America and Latin America and the Nicaraguan people, we believe this is an opportune moment to inform the Nicaraguan people that the result of this vote is the ratification of the warmongering policy of the U.S. Government against Nicaragua. The vote has approved financing for the mercenary forces up to a total of $100 million and funds totalling $302 million for the Central American governments which the United States has been [words indistinct] terrorist policy against Nicaragua. The U.S. Government will give each of the Central American governments $75 million. It will give Nicaragua [as heard] $110 million [figure as heard] though, naturally, so that the mercenary forces may stage acts of terrorism against the Nicaraguan people, so that the Nicaraguan people will continue to be murdered.

We wish to call the attention of the Nicaraguan people to the fact that today the reality of the confrontation Nicaragua is sustaining has become very clear -- I do not believe any doubt will remain: It is the confrontation of the U.S. Government against the Nicaraguan people and revolution.

Whoever attempts to make it appear that this is a domestic problem will be acting as an accomplice to the U.S. Government's terrorist policy. The Nicaraguan people will set straight the accomplices of the U.S. Government's terrorist policy. We will not allow the U.S. Government to use this situation to open an internal front here with the support of their accomplices, those who sympathize with or approve of that terrorist policy.

The Nicaraguan people are also aware that the policy of aggression and terror by the U.S. Government that the U.S. Congress ratified today will [words indistinct] more economic problems, more shortages, more [words indistinct]. However, the Nicaraguan people are convinced and determined to advance to defeat this terrorist policy.

What is most serious about today's approval of this (?$110) million to finance the terrorist mercenary forces in Nicaragua and this financing of $302 million for the Central American governments is that the U.S. Government is imposing itself against the American peoples' will. They are imposing their policies against the wishes of the Latin American peoples and the people of the entire world. This could be construed in the future as an escalation [words indistinct] in this country, an escalation which, at this time and as things are going, will lead to the Vietnamization of the country and the intervention of U.S. troops.

Last year, Reagan's administration debated and approved millions of dollars for the mercenary forces under the guise of humanitarian aid. This is not what is being debated now. Now they have debated and approved the military financing of the mercenary forces, because they are [words indistinct] and this logically encourages [words indistinct] an escalation against Nicaragua. The mercenary groups are there, but we are sure that whether they have $100 million or $1 billion, they will not bring about a Nicaraguan defeat. They can continue their terrorist actions, and this will mean more problems for the Nicaraguan people, but they will not defeat the Nicaraguan revolution.

Meanwhile, the U.S. Government is demonstrating its policies. Reagan is demonstrating his warmongering policies. Even though I have maintained a policy of negotiation, the Reagan administratin has imposed and maintained a warmongering policy, and has managed to sway the House of Representatives vote [words indistinct]. Two hundred and twenty-one representatives voted in favor of the terrorist policies, and 209 voted against it. Two hundred and nine U.S. representatives have voted against and 221 in favor. It is a difference of 12 votes, but after all is said and done the policies have been approved, and they are supporting Reagan's terrorist policies. Reagan's policies are swaying the U.S. Congress, dragging it toward the Vietnamization of Central America, toward a military intervention in Nicaragua.

The decision will mean (?$75 million) less for each government [passage indistinct].

Reagan's policy is dragging the U.S. Congress toward a Vietnamization of Central America, toward a military intervention in Nicaragua. Fifty-five million dollars is distributed [words indistinct] to buy, to put it barefacedly, [words indistinct] in his terrorist policy of agression against Nicaragua.

[Words indistinct] the U.S. Government responds with [words indistinct] to Contadora's negotiating process. Now, on 7 June Contadora submitted a peace proposal to the Central American countries [words indistinct] a valid and constructive proposal, Nicaragua accepted the proposal.

The United States [words indistinct] insisting in its terrorist policy has asked for the financing for the mercenary forces. Today the financing has been approved. This is the way the U.S. Government is responding to Latin America's peace efforts, to the appeals for peace of the U.S. people and the Central American people [words indistinct].

This is the way in which it responds to [words indistinct] Court of Justice, which ordered that our territory be respected [words indistinct] to the aggressive policy the United States is conducting against Nicaragua. [Words indistinct] this is definitely an act of contempt of laws [words indistinct] what the court ruled, the United States goes ahead to approve the financing of the mercenary forces. This terrorist policy is absolutely contrary to the decision that the court will reach, even before [words indistinct].

Nicaragua condemns this terrorist policy of the President of the United States. We have said that the U.S. President is acting like a new Hitler. Like Hitler, he is implementing a policy of vengeance, a terrorist policy which means murder [words indistinct] of the Nicaraguan people. By imposing his will over the international [words indistinct] over the U.S. people, the U.S. president is acting like a true fascist. The comparison is valid. He is acting the same or worse than Hitler. I would say worse than Hitler, because that period of terror for humanity of the fascist war imposed on the world is a known fact; it is an experience that Reagan should know and consider.

However, instead of learning from that experience and trying to prevent its recurrence, he is acting the same as Hitler. He is acting the same as Hitler against the people of a small country, against people who are defending their self-determination and their independence, acting as a real terrorist, as a fascist.

However, the U.S. Government's terrorist policy will not scare us. We will not be intimidated. We will not become scared or be intimidated by the possibility that U.S. troops may intervene in our country. We will continue defending our revolution. We will not accept blackmail. [Words indistinct] some conditions in the U.S. Government's cynical proposal to finance the mercenary forces, where supposedly [words indistinct] basis for negotiation.

They will even (?allot) $2 million from the $302 million assigned for the Central American governments which will be used by the Central American governments to pay for their fares to attend the meetings [words indistinct]. It is a truly cynical proposal [words indistinct], a reply which mocks the Latin American negotiating effort [words indistinct] Central American people.

The Nicaraguan people, the Nicaraguan Government, and the FSLN are not going to surrender or become intimidated. We are not intimidated by this [words indistinct] policy today endorsed by the U.S. House of Representatives.

We maintain our position. We are in favor of peace [words indistinct]. We are determined and ready to defend this revolution, to defend it with weapons in our hands. We are willing to find a peaceful solution through the Contadora Group, as proposed by that group in its last document on 7 June. We maintain our initiatives, and we maintain our willingness to talk with the U.S. Government. It is by talking with the U.S. Government, which should give up its terrorist actions, that an agreement, an understanding can be reached.

We also maintain our rejection of the dialogue the United States seeks to impose on us with its [words indistinct] of terror [words indistinct] in Nicaragua. [Words indistinct] dialogue with the terror [words indistinct]. We are confident, we are certain, that the U.S. people will reject in a massive way this terrorist policy. We are also confident and convinced that the Latin American people and governments, the Central American people, and the people of the world will act today more than ever to condemn this terrorist policy, to stop this terrorist policy, and to avoid the military intervention of the U.S. troops against the Nicaraguan people, because this is the immediate threat we are facing after this U.S. (?offensive) by the United States of financing the [words indistinct].

The Nicaraguan people [words indistinct] we have seen [words indistinct] the U.S. policy, where supposedly there was no approval for the financing of the mercenary forces, but in fact the U.S. Government had been financing the mercenary forces. Therefore, this unmasks this policy and clearly shows a confrontation between the United States and Nicaragua, and shows that the Nicaraguan people are fully determined to face the biggest difficulties.

We are convinced that the Nicaraguan people are firmly and resolutely determined to starve, to endure difficulties, to make sacrifices, to face the scarcity and the difficulties that the U.S. Government aggression and its terrorist policy imposes on us until we defeat this policy [words indistinct]. We are certain, we are convinced, that we will defeat this terrorist policy and that some time, some day, there will be peace in Nicaragua, in Central America, and there will continue to be hopes of transformation for the Central American people.

This is what we wanted to say tonight.

BARRICADA Editorial

PA251735 Managua BARRICADA in Spanish 24 Jun 86 pp 1, 8

[Editorial: "Again the Immoral Discussion"]

[Text] The lengthy process of lobbying, pressure, blackmail, slanderous propaganda, and absurd charges to obtain $100 million for the aggression against Nicaragua will enter a new phase tomorrow. The U.S. Congress will begin to discuss various proposals that have a single objective: the war against the Nicaraguan people. Such an illegal and immoral discussion can only lead to another immoral action.

Any way that the $100 million is distributed and any way that the aid is described, for example, terming it "humanitarian aid," the end result will be the increase of sabotage of national economic centers and the death of workers and peasants. Even in the case that the political good sense of the representatives and senators might lead them to reject the arrogant desire of the monopolistic circles that influence the U.S. foreign policy, and not grant the $100 million, the Yankee rulers will not need their consent to continue an aggression that continues as it began: without any official sanction.

Paradoxically and almost at the same time that the Yankee Congress is beginning its immoral discussion, Latin America has reached the conclusion that only negotiated solutions and a halt to the aggressioncan save Central America from a generalized armed conflict. This position is supported by the majority of the governments and peoples of the world. Peace depends on respect for the will of Latin America and the world and above all on respect for our right to free self-determination.

We politically value Latin America and the world's understanding of the Central American problem and of our just position -- as was recently expressed in the Socialist International Congress -- but we also know where to lay the blame for the obstacles to a solution and for the complicity with the aggressions against our country. We are referring to the government headed by Reagan and to the internal reactionary forces of the COSEP [Higher Council of Private Enterprise], the coordinating board [Nicaraguan Democratic Coordinating Board], and well-known Catholic Church hierarchy who appeared filled with much hatred and no sense of patriotism in the forums prefabricated by specialized agencies of imperialism, delivering political speeches justifying the aggression in order to obtain more financing for the mercenaries.

The existence of a free and honorable Nicaragua will not depend on what will take place in Washington, because that depends on the Nicaraguan people. However, the sacrifices and the blood that the people will have to continue to shed to maintain their freedom will depend on the blind political intolerance of imperialism and the servile and unpatriotic support that the internal reactionaries are giving it. This includes the Catholic hierarchy.

Meanwhile, the workers, peasants, and patriotic sectors will not halt their daily battle that will open the path to peace.

Arce Notes SI Resolution

PA260147 Managua International Service in Spanish 0000 GMT 26 Jun 86

[Text] Commander of the Revolution Bayardo Arce Castano reported in Managua the resolution of the Socialist International, SI, rejecting financing for mercenaries currently under discussion at the U.S. Congress. Arce, deputy coordinator of the FSLN's Executive Commission, returned to Managua today after he participated in the SI conference in Lima.

CONTADORA COUNTERPROPOSAL TERMED 'DETRIMENTAL'

PA251323 Managua Domestic Service in Spanish 1200 GMT 25 Jun 86

[Text] This is a report from El Salvador:

The plenipotentiary representatives of Guatemala, Honduras, Costa Rica, and El Salvador have adjourned a meeting in which they ratified an alternative document, drafted by the Reagan administration, which will be used as a counterproposal to the document for peace and cooperation submitted by the Contadora Group on 7 June. Following 2 days of meetings, the four Central American representatives accepted the destabilizing points proposed by Reagan's special envoy, which are detrimental to Nicaragua's sovereignty.

MERCENARIES IMPLICATE COSTA RICA, EL SALVADOR

PA252254 Managua International Service in Spanish 2200 GMT 25 Jun 86

[Text] Costa Rica and El Salvador are open paths of the mercenaries for their brutal attacks on Nicaragua, under U.S. Government direction. This is implied from the appearances in court today by the two stateless Cubans captured by the EPS in the southern part of the Atlantic region in Nicaragua.

Ubaldo Fernandez Perez and Mario Eugenio Rejas Ladas showed the local and international press how they received training in Costa Rica and in El Salvador to try to overthrow the indestructible Sandinist Peoples Revolution. The obvious mercenary aggression and the complicity of the neighboring nations are an overwhelming proof of what the Nicaraguan people are enduring, and of what the international community has been reporting.

RAMIREZ RETURNS, COMMENTS ON EUROPEAN TOUR

Notes Official Support

PA250356 Managua International Service in Spanish 0000 GMT 25 Jun 86

[Text] Nicaraguan Vice President Sergio Ramirez said today that among European parliaments there is a unanimous rejection of U.S.-financed terrorist actions against Nicaragua. The Nicaraguan vice president made this statement shortly after arriving in Nicaragua from a tour of several European countries where he met with ranking government officials. Dr Ramirez said that European parliamentarians are sending letters to the U.S. Congress, requesting the nonapproval of further financial aid to the counterrevolutionaries. He also said that the U.S. congressional debates on the $100 million for the Somozists is an incredible case of prepotency.

Ramirez described the U.S. effort to destroy the Contadora Group as contradictory, while the European governments are giving the negotiating process their full support. The U.S. allies in Central America want to force the failure of Contadora and revive the Condeca [Central American Defense Council], the Nicaraguan vice president said at a press conference, adding that those efforts will fail because of Guatemala's serious and responsible attitude.

Referring to Nicaragua's constitutional process, Dr Ramirez pointed out that the officials and politicians with whom he conversed in Europe were clear on what the future constitution means to Nicaragua. Ramirez returned to Nicaragua today after a tour of several European countries, where he explained in detail the real situation in Nicaraguan and the Central American region.

Cites Meeting With Pope

PA252118 Managua Sandinista Television Network in Spanish 0200 GMT 25 Jun 86

[Text] Western Europe, Algerian, and GDR Governments have stated their global support of the Contadora Group and Nicaragua's self-determination and sovereignty, said Nicaraguan Vice President Sergio Ramirez Mercado. The vice president returned to Nicaragua today after officially visiting those countries. [passage indistinct]

[Begin Ramirez recording] The cooperation ties and political relations with the various European countries visited by Nicaragua [as heard] as well as our relations with the EEC have been strengthened. [end recording]

A newsman asked Dr Ramirez if relations between the government and the Catholic hierarchy in Nicaragua have improved after his meeting with Pope John Paul II.

[Begin Ramirez recording] We evidently identified points which have a bearing on the problems faced by the church hierarchy in its relations with the revolutionary government. The problems exist and a simple visit by me to the pope will not end or erase them. Therefore, what we agreed on is that the dialogue with the church hierarchy in Nicaragua must be resumed and that the Vatican will support this dialogue. [end recording]

Regarding the [words indistinct] to engage in a debate with Erick Ramirez, president of the [Nicaraguan] Social Christian Party, Ramirez explained that the idea of the debate was brought up by a Spanish rightist deputy during a televison debate.

[Begin Ramirez recording] I had the opportunity to participate in a very important television program. It was a debate that lasted 2 hours during a television program carried on Thursdays by newswoman Mercedes Milia, which was watched by 15 milliom people. In that program I had to confront a rightist deputy. At the end, he asked me why, instead of engaging in a dialogue with him before the Spanish television cameras, I did not talk with Erick Ramirez. I told him that in order to talk with Mr Ramirez I did not have to meet him in Madrid, but that we could instead hold the dialogue here in Nicaragua. [passage indistinct] [end recording]

GUATEMALAN DEFENSE MINISTER TO VISIT MANAGUA

PA251902 Managua Radio Sandino in Spanish 0000 GMT 25 Jun 86

[Text] Guatemalan Defense Minister General Jaime Hernandez Mendez today said in Guatemala that he seeks a military rapprochement with Nicaragua (?for the purpose) of reactivating the Central American Defense Council [Condeca]. He said that he will soon travel to Managua for this objective. The Guatemalan military leader admitted that his trip to Nicaragua is at the invitation of the Sandinist government, and that he will take advantage of the tour to meet with the (?other defense ministers) of the area to set a date for a meeting that will lead to the reactivation of the Condeca.

UN ADVISORY GROUP CONDEMNS SANDINIST REGIME

PA251404 Panama City ACAN in Spanish 0300 GMT 24 Jun 86

[Text] Panama City, Panama 23 Jun (ACAN-EFE) -- An advisory UN organization has decided to "condemn" the Sandinist regime for its "indiscriminate" elimination of the freedom of speech. Today, diplomatic sources revealed that the International Radio Broadcasting Association reported its decision to the Contadora Group foreign ministers, including Panamanian Foreign Minister Jorge Abadia Arias. The sources added that on 5 June the Panamanian foreign minister received a communique issued by that association, which includes more than 16,000 radio and television stations in America and Europe.

The association's note points out that during its assembly, held in Venice, Italy from 5 to 8 May, it decided to "once" again vigorously condemn the Nicaraguan Sandinist regime for its indiscriminate confiscation of independent media." According to the communique, the attitude of the government of Managua leads to "the elimination of the freedom of speech, and the vital right to live in a pluralist society."

The UN organization reminds Contadora, which is a group formed by Panama, Mexico, Venezuela, and Colombia, that "to attain a democratic solution in Nicaragua" it is necessary to return the news media to their legitimate owners. The national state of emergency, decreed in March 1982 by the Sandinist government headed by Daniel Ortega, allows the Sandinist authorities to exert prior censorship and to close down media which do not fulfill the legal dispositions.

NEW CONTRA GROUP SEEKS BERMUDEZ' REMOVAL

PA251932 Madrid EFE in Spanish 1850 GMT 25 Jun 86

[Excerpts] Miami, 25 Jun (EFE) -- While U.S. aid to the anti-Sandinists is being discussed by the U.S. Congress today, the Condor organization, the first group of dissident contras, has emerged in Miami.

The Nicaraguan Coalition in Opposition to the Regime [Coalicion Nicaraguense de Oposicional Regimen] (Condor) is composed of 20 dissident commanders of the Nicaraguan Democratic Force (FDN), who seek the removal of Enrique Bermudez, the top rebel military leader, for corruption.

Some Condor members have gone to Washington where the aid to the contras is being debated in the "hope" that their testimonies will pressure the Reagan administration to change the rebel military leadership. Members include FDN commnaders who led guerrilla battalions until they recently resigned, such as Hugo Villagra, Gerardo Martinez, Marlon Blandon, and Javier Gomez.

An FDN spokesman in Miami told EFE today: "It is a group of resentful people."

Condor, which accuses Bermudez and other ranking leaders of corruption and getting rich on the U.S. funds to the detrimente of the combatants, presented a report with this charge to U.S. Army General John Singlaub, retired, who is closely coordinating with the Washington government the channeling of aid to the contras. [passage omitted]

BRIEFS

REGION 3 MALARIA REPORTED -- Malaria, which ranks third among transmissible diseases, has claimed 902 victims in Region 3 so far in 1986 between January and May. Health Ministry sources supplied this information, noting that the most affected neighborhoods are: Tipitapa with 218 cases; San Rafael del Sur with 175; Carlos Fonseca village with 110; Ciudad Sandino with 22; and many other areas in the capital. German Gaitan, in charge of malaria control and eradication in Region 3, admitted that 112 cases were originated in the war zones. [Summary] [Managua LA PRENSA in Spanish 5 Jun 86 pp 1, 8 PA]

GOVERNMENT REESTABLISHES RELATIONS WITH BRAZIL

FL252107 Havana Radio Reloj Network in Spanish 2033 GMT 25 Jun 86

[Text] Today the Governments of the Republic of Cuba and the Federative Republic of Brazil decided to reestablish diplomatic relations at the embassy level as a result of the wishes and interests of the two countries.

In a note released simultaneously in Havana and Brasilia, the two governments agreed to establish relations of friendship and cooperation inspired in the principles of the UN Charter and respect of their mutual sovereignty. Likewise, the Governments of Cuba and Brazil decided to exchange ambassadors as soon as possible, as well as to provide each other all the necessary assistance in the operation of the embassies in their respective capitals.

Diplomatic relations between Cuba and Brazil were interruped in 1964 by the military government then ruling in Brasilia.

REAGAN'S CONTRA AID SPEECH 'NOTHING NEW'

FL251208 Havana Radio Progreso Network in Spanish 1100 GMT 25 Jun 86

[Station commentary]

[Text] For nearly one-half hour, from the White House in Washington, U.S. President Ronald Reagan has again made manifest his sick abberation against the legally constituted Government of Nicaragua, repeating old falsehoods to pressure the U.S. Congress, whose House of Representatives is prepared today to vote on the bill granting $100 million to the counterrevolutionary bands.

In his anti-Sandinist zeal, President Reagan announced the postponement of his vacation in California, saying that he will remain in Washington until the decision of the Congress is known.

On this occasion, the White House resident read a speech that had been prepared in advance to be read in the House of Representatives, whose leader, Democrat Thomas O'Neill, had refused him permission because he believed the chief of state was using an unorthodox procedure in his attempts to pressure the legislators.

Reagan's speech provided nothing new in the way of serious arguments to convince the U.S. congressmen to approve $100 million to sustain and strengthen the precarious situation of the Nicaraguan counterrevolution. From his office in the White House, the old movie actor again repeated the old story that Nicaragua has become a Soviet base and the purported danger that this represents for the security of a country as powerful as the United States. The Nicaraguan Embassy in the U.S. capital immediately denied the existence of that purported Soviet base, pointing out that those falsehoods are merely an attempt to divert attention from the investigation being carried out regarding the counterrevolutionaries' dirty maneuvers with the funds voted by the U.S. Congress.

The Nicaraguan Embassy has refuted the accusations and simultaneously reaffirmed Nicaraguan support of the negotiations of the Contadora Group and Nicaraguan respect for international norms.

ENVOY SAYS U.S. MEDIA INTERFERES ABROAD

FL251532 Havana Radio Reloj Network in Spanish 1405 GMT 25 Jun 86

[Text] Sergio Montane, our country's representative to the UN Information Committee, has asserted that the United States is using the media as an instrument to intervene in domestic affairs of sovereign countries. The Cuban representative said the United States is using subversive radio stations to justify its attack against Libya, the Grenada intervention, and war threats against Nicaragua. This explains the indignation of some countries. At the UN Information Committee meeting, the group of 76 underdeveloped countries submitted a proposal with recommendations against U.S. policies in that field. The proposal calls for the elimination of the outrage of a group of press monopolies which threaten the sovereignty and independence of developing countries.

COOPERATION AGREEMENT SIGNED WITH ZAMBIA

FL251501 Havana Radio Reloj Network in Spanish 1403 GMT 25 Jun 86

[Text] In Lusaka, Zambia's capital, an economic, scientific, and technical cooperation agreement has been signed between the Republics of Zambia and Cuba for the 1986-1988 period. The document provides for Cuban specialists to cooperate in various economic projects in Zambia, train Zambian cadres in Cuba, and exchange scientific delegations.

FERNANDEZ REITERATES STANCE ON OLYMPIC GAMES

PA251607 Havana International Service in Spanish 0000 GMT 25 Jun 86

[Text] Jose Ramon Fernandez, vice president of the Council of Ministers and education minister, has reasserted that Cuba will attend the coming 1988 Summer Olympics only if they are shared with the DPRK. During a news conference held in the Dominican City of Santiago de Los Caballeros, the Cuban leader said that we must not play the game of those who want to keep the Korean people divided.

Fernandez is in the Dominican Republic on a special invitation to attend the 15th Central American and Caribbean Games. The competitive activities will begin tomorrow in the main stadium in Santiago de los Caballeros.

Jose Ramon Fernandez dedicated a special greeting to the Dominican people on the occasion of the 150th anniversary of the birth of Maximo Gomez and added:

[Begin recording, in progress] ... commander in chief of the liberation Army of Cuba during the war of 1895-98, was an austere man devoted to Cuba's liberation, respectful of the people's rights, and profoundly anti-imperialistic. In his written documents he sets forth his repudiation of U.S. intervention and the manner in which it was carried out. We feel as proud of him as the Dominicans must feel.

Maximo Gomez is one more reason for [our] brotherhood. He was an internationalist fighter who did his best to secure the independence of our people, for which Cuba is eternally grateful. [applause] [end recording]

CASTRO SPEAKS WITH ASSESSMENT MEETING DELEGATES

FL252336 Havana Radio Periodico del Aire in Spanish 2130 GMT 25 Jun 86

[Excerpts] The opening session of a meeting presided over by Commander in Chief Fidel Castro in Havana was characterized by a profound and critical analysis of errors, violations, and deficiencies in the efforts of enterprises.

Castro, first secretary of the Communist Party of Cuba, held extensive dialogues this morning with administrative, political, and trade union representatives from 900 Havana City and Havana entities meeting at the Karl Marx Theater.

During the morning session, specific aspects of the enterprises; efforts were analyzed such as excessively high salaries which actually do not have a productive purpose, deform the enterprises' economy, and conspire against the ideological formation of workers.

On several occasions, Fidel criticized contradictory practices and attitudes that are not in accordance with socialist principles and morale which he expressed during his last speeches, particularly his 19 April speech commemorating the Giron victory.

At the beginning of the session, Central Committee member Jorge Lezcano, first party secretary in Havana City, explained that the goal of the meeting is to be self-critical in finding the causes that have created this situation and the method for permanently eradicating the causes. Lezcano stressed that this meeting should be characterized by its revolutionary combativeness, critical and self-critical spirit, and the decision to confront deficiencies and struggle relentlessly against everything that could weaken the revolution.

FAR MANEUVERS TO STRENGTHEN DEFENSE CONCLUDE

FL252245 Havana Radio Periodico del Aire in Spanish 2130 GMT 25 Jun 86

[Text] The maneuvers commemorating the 150th anniversary of the birth of General Maximo Gomez concluded yesterday after completing intense efforts to strengthen the country's defense capabilities.

The group of leaders from the party, state, mass organizations, and generals and officials from the FAR and Minint [Interior Ministry] was presided over by Army General Raul Castro, second secretary of the Communist Party of Cuba Central Committee and FAR minister.

The maneuvers demonstrated an elevated combative capacity, experience, and the role of the party, government, and mass organizations during times of war as well as the skill and professional preparation of the FAR regular troops.

BARBADOS

PARLIAMENT SESSION OPENS, FOCUSES ON ECONOMY

FL1260054 Bridgetown CANA in English 0000 GMT 26 Jun 86

[By Reudon Eversley]

[Text] Bridgetown, Barbados, June 25, CANA -- Barbados new Democratic Labour Party (DLP) administration tonight signalled that its number one priority will be to revitalise the national economy,.

The unsatisfactory performance of the economy over the past five years is a matter of concern to my government, said Governor-General Sir Hugh Springer in the traditional throne speech marking the start of a new parliamentary session. This period was characterised by a fall of output in the agricultural, manufacturing and tourism sectors. Real output was lower in 1985 than it had been in 1980. The decline in economic activity was also reflected in the level of unemployment which increased from an annual average of 12.5 per cent in 1980 to 18.7 per cent in 1985, the head of state told parliament in a ceremony attended by the new members of parliament and their wives and broadcast live on radio and TV.

Against this backdrop, the new government, which came to power in May 28 general elections, announced it would pursue measures to strengthen the economy, attract investment, create job opportunities, and generally improve the living standards of all Barbadians. A key aspect of the strategy will be the implementation shortly of a set of new fiscal measures, whose primary objective will be to substantially reduce personal income tax, increase the demand for goods and services by increasing disposable income, and to ease the tax burden on business activity.

The start of the new five-year parliamentary session followed the elections in which the DLP trounced the Barbados Labour Party (BLP) to capture the government with a 24-3 seat majority.

In its manifesto, the DLP had promised to make the first 15,000 dollars (one BDS dollar; 50 cents U.S.) of personal income tax free and to lower tax takings as centrepiece of the proposed new fiscal arrangement. An election promise to reduce fuel prices and regulate utility rates was reiterated by Sir Hugh tonight in his address to the joint sitting of the House of Assembly and Senate. Sir Hugh said Barbados would appoint its first ombudsman -- an independent official usually charged with investigating private individuals' grievances against governmental authorities.

With regard to the new government's plans for the island's key economic sectors, he said while the administration recognised sugar as a major foreign exchange earner, the way forward for agriculture was through diversification. To this end, research, market research, and agronomic research will be emphasized and fiscal and other incentives will be provided. A new system of incentives wil encourage the return of ideal lands to active production. Our virtual self-sufficiency in vegetables will be matched by a new effort to become self-sufficient in meat production, the governor general added. Incentives for the fishing industry will be introduced and the development of fish farming encouraged. In a move to boost industry, the new government pledged to seek greater access for local exports through a new export thrust. It said it would accord the highest consideration to relations with Barbados partners in the 13-nation Caribbean Community (Caricom), the principal market for local exporters. My government is commicted to an industrial development that will provide jobs, reduce dependence on imports, improve our balance of trade and our foreign exchange earnings, and consequently the quality of life of our people, Springer said.

Manufacturers would be provided with financial and technical assistance and exhorted to strive for excellence so that their products can be competitive locally, regionally, and beyond, he said.

With regard to tourism, the governor-general said the government's immediate aim was to restore the number one industry to a state of financial viability and to improve the local tourism product. Accordingly appropriate measures will be taken to reschedule outstanding debts owing to government and agencies. At the same time, measures will be taken to facilitate the refinancing, financial restructuring, and the ability of enterprises to market their product, he said. The government said its policy towards tourism would be that it is a matter for all Barbadians.

Springer said the new government would work to promote industrial harmony, noting its link to economic prosperity. The maintenance of a good industrial relations climate is a prerequisite to sustained economic growth and social stability, he said. My government will therefore strengthen the machinery for the expeditious resolution of industrial disputes. Among matters to be dealt with under this heading is the introduction of legislation to protect workers against arbitrary and unfair dismissal.

SENATE PRESIDENT, ASSEMBLY SPEAKER ELECTED

FL252350 Bridgetown CANA in English 2225 GMT 25 Jun 86

[Text] Bridgetown, Barbados, June 25, CANA -- Veteran trade unionist Frank Walcott tonight was elected president of the Barbados Senate (upper house of parliament) prior to the state opening of a new five-year parliamentary session by Governor-General Sir Hugh Springer.

Walcott, 69, is the longstanding general secretary of Barbados Workers Union (BWU), the largest here. He served for several years as an elected parliamentarian before his defeat in the 1976 general elections. Businessman Marcus Jordan, a government senator like Walcott, was chosen deputy president.

In a separate meeting, members of the House of Assembly (lower house) elected pharmacist Lawson Weekes, speaker. Weekes, a two-term parliamentarian of the ruling Democratic Labour Party (DLP), will have Joe Payne, a lawyer, as his deputy.

The state opening of parliament followed general elections on May 28, which saw a change of government with the Democratic Labour Party (DLP) replacing the Barbados Labour Party (BLP) in a landslide 24-3 seat win.

ST LUCIA

SLP'S HUNTE SAYS PARTY CAN WIN NEXT ELECTIONS

FL251840 Bridgetown CANA in English 1735 GMT 25 Jun 86

[Text] Castries, St. Lucia, June 25, CANA -- The main opposition St Lucia Labour Party (SLP) says it can win the country's next general election, but concedes the fight could be the most difficult for the party in its 36 year existence.

Political leader Julian Hunte told the SLP's annual conference over the weekend it was clear the party would be the target of both the ruling United Workers Party (UWP) and the left-leaning Progressive Labour Party (PLP) during the campaign for the poll, due in less than a year.

This is going to be the political battle of the decade, and possibly the last great one, Hunte said. We will ensure that we are the only party with the longevity to reach the next century.

Hunte said Prime Minister John Compton's UWP was only able to retain power four years ago because a large number of the committed SLP supporters did not vote. Many were confused because of the silly way in which some people conducted themselves when we were in office. The last time around, many felt that their years of efforts and sacrifice had gone to waste, he said.

The UWP won a landslide victory on May 3, 1982, taking 14 of the 17 parliamentary seats after prolonged internal bickering within the SLP government forced early elections.

At the centre of the confusion was a leadership struggle between the then Prime Minister Allan Louisy and his deputy, George Odlum, who later pulled out of the SLP and formed the PLP.

Hunte told the convention: We deserve our just chance to run this country again, this time without the troublemakers and without putting the troublesome in the front line or anywhere they can either make trouble or be an embarassment to the party in government.

His statement was seen as a direct reference to the party's earlier rejection of a call by the PLP to join forces to fight the forthcoming general elections, which some observers believe could come before yearend.

We have learnt our lesson well and we cannot afford to play the game by the same rules next time around, Hunte said.

He said: In an effort to win the next elections, the SLP has to complete the setting up of constituency groups, ensure greater cooperation and communications between community groups, embark on a vigorous mobilization campaign, select the best slate of winning candidates available, and finalise a practical, social, and economic policy that can be offered to the electorate.

ST VINCENT

AMERICAN FISHING BOAT CAPTAINS GRANTED BAIL

FL251850 Bridgetown CANA in English 1638 GMT 25 Jun 86

[Text] Kingstown, St Vincent, June 25, CANA -- The American captains of three United States trawlers, arrested nearly two weeks ago on charges of fishing illegally in St. Vincent's waters, have been granted bail of EC200,000 dollars each.

But Chief Magistrate Oswald Jack confined the men to their vessels until they could find an acceptable person willing to guarantee the bail.

The men pleaded not guilty to the charges of illegal fishing and fishing-related activities in the waters of St. Vincent and the Grenadines.

Vincentian attorney Stanley John, representing the three, said that the bail was excessive and was tantamount to no bail at all. John has filed a motion claiming that the men are being held unlawfully. The motion goes before high court Judge Satrohan Singh tomorrow.

Meanwhile, ten of the 15 crew members of the three vessels have already left St Vincent after being ordered to do so by the government.

Of the five remaining crew, two are expected to leave shortly, while the last three -- all Americans -- have sought an extension of their stay here.

TRINIDAD-TOBAGO

POLL FAVORS ROBINSON ON ECONOMIC PROBLEM SOLVING

FL241842 Bridgetown CANA in English 1752 GMT 24 Jun 86

[Text] Port-of-Spain, Trinidad, June 24, CANA -- More Trinidadians believe opposition National Alliance for Reconstruction (NAR) leader A N R Robinson can better handle the country's economic problems than Prime Minister George Chambers, according to an opinion poll published here today. The TRINIDAD EXPRESS newspaper, which published the poll, commissioned from St Augustine Research Associates.

Robinson scored heavily among all segments interviewed by pollsters who asked who would be better able to deal with the country's economic problems. Fifty per cent of the youngest group favoured Robinson, while [words indistinct] 49 per cent of the upper middle/middle classes picked Robinson.

Trinidad and Tobago's petroleum-based economy is now in the grips of a decline triggered in large measure by falling oil prices. Unemployment has been rising, and government has been moving to diversify the economy.

Robinson is a former finance minister in the ruling People's National Movement, but left the party in 1970, later becoming leader of the Tobago-based Democratic Action Congress (DAC). THe DAC earlier this year merged with three other opposition parties to form the NAR.

Prime Minister Chambers recovers, however, in another part of the poll which looked at his perfomance as head of government.

Chambers came to the leadership of the PNM in 1981 following the death of PNM founder, Dr Eric Williams.

In May 1986, 22 percent of those polled were satisfied with Dr Williams' successor. This compares with 17 percent in May 1985.

Chambers also improved significantly in the very dissatisfied category which declined from 42 per cent in May 1985 to 26 per cent.

The dissatisfied, however, increased marginally from 28 per cent to 30 per cent over the same one year period.

FBIS

DAILY REPORT

CONTENTS

Latin America

Vol VI No 124 27 June 1986

INTER-AMERICAN AFFAIRS

Contadora Ministers at UN, View Aid Vote [NOTIMEX] A 1
V. Presidents Note C.A. Parliament Preparations [Guatemala] A 2

ARGENTINA

Peruvian Vice President Holds Press Conference B 1
Worker Returns Stolen Radioactive Material B 1
Laino Arrives in Buenos Aires, Plans Hunger Strike B 2
Army Restructuring, Modernization Viewed B 2
Farm Groups Give Government 2-Week 'Truce' B 3

BOLIVIA

Opposition, Unions Reject Barthelemy's Charges C 1

BRAZIL

Response to Reestablishment of Relations With Cuba D 1
    Foreign Minister Comments D 1
    Armed Forces Chiefs Respond D 1
    First Commercial Contract Signed D 2
Foreign Minister To Visit African Countries [O ESTADO DE SAO PAULO 25 Jun] D 2
IBRD Confrontation Connected to Informatics [O ESTADO DE SAO PAULO 25 Jun] D 2
Details of 7-Year Space Program Outlined D 4

CHILE

New Committee for Human Rights Violations E 1
Truck Owners' Confederation To Join Assembly E 1
Arturo Brandt Named Head of Radical Party [EL MERCURIO 25 Jun] E 2

COLOMBIA

Editorial Views Justice Palace Report [EL TIEMPO 23 Jun] F 1

PARAGUAY

Saldivar: No Protest Received From Uruguay [EL DIARIO 26 Jun] H 1

Colorado Program Alleges 'Media Infiltration' H 1
Radio Journalist Reportedly Arrested, Beaten [EL DIARIO 26 Jun] H 3

PERU

U.S. Cargo Plane Forced To Land in Lima J 1
France Agrees to Reduction of Mirage Purchase J 1
Andean Jurists Condemn Handling of Prison Riots J 1
Gunmen Fire on APRA Leader's Home; 1 Injured J 3

MEXICO

Nicaragua's Tinoco Arrives, Criticizes Contra Aid M 1
Sepulveda on Possible Reagan-De la Madrid Talks M 1
Government To Submit Program to Creditor Banks M 2
Bilateral Trade With Guatemala To Increase M 2
Soviet Envoy Discusses Disarmament Proposals M 3
Briefs: Drugs Seized; Cubans Detained M 4

PANAMA

President Criticizes Contra Aid Approval N 1
Foreign Officials Investigating Pia Vesta [LA ESTRELLA DE PANAMA 25 Jun] N 1
Briefs: New Ambassadors Present Credentials N 2

CENTRAL AMERICA

COSTA RICA

Officials View U.S. Move for C.A., Contra Aid P 1
    Arias 'Happy' P 1
    Madrigal Favors Negotiations P 1

HONDURAS

Officials View House Approval of Contra Aid P 2

NICARAGUA

Further Response to House Vote on Contra Aid P 3
    Ortega News Conference P 3
    Ortega Reads FSLN Communique P 6
    Protest Note Sent to Shultz P 8
    D'Escoto on Reinforcements P 9
    Ambassador on Military Needs [Tegucigalpa] P 9
International Court Rules Against U.S. [AFP] P 10
Captured Cuban Exiles Discuss Training Bases P 11
'Indefinite Closing' of LA PRENSA Ordered [AFP] P 11
Correction to Ortega Statement on Contra Aid P 11

CUBA

Castro on Enterprise Management Problems Q 1
    Further Castro Remarks Q 3
    Presides Over 26 June Meeting Q 7
Hotel Workers Opt To Forego Material Incentives Q 7

DOMINICAN REPUBLIC

Pena Gomez Decries Shooting Incident R 1
Government To Boost Participation in CBI R 1
Briefs: New Swedish Ambassador R 1

CARIBBEAN

Guyana's Jackson Outlines Caricom Agenda S 1

CONTADORA MINISTERS AT UN, VIEW AID VOTE

FL262334 Mexico City NOTIMEX in Spanish 2145 GMT 26 Jun 86

[Text] United Nations, NY, 26 Jun (NOTIMEX) -- Mexican Foreign Secretary Bernardo Sepulveda Amor has said that the U.S. House of Representatives' decision to approve $100 million in aid to the Nicaraguan contras is a historic error that could damage inter-American relations. Speaking on behalf of the Contadora Group, the Mexican foreign secretary added that the principle of nonintervention in the domestic affairs of any country is not only a legal question, but also a political one.

The four Contadora Group foreign ministers from Mexico, Panama, Colombia, and Venezuela met this morning with UN Secretary General Javier Perez de Cuellar to present him with a report on their most recent achievements. During a joint press conference, Venezuelan Foreign Minister Simon Alberto Consalvi said the Contadora documents indicate that one of the fundamental conditions for peace in Central America is to not aid irregular forces operating in the region. We have opposed and criticized any type of aid to irregular forces, and we maintain that position, he said. We believe that decision is not favorable for the negotiating process we have developed and passed on to the Support Group, Consalvi added.

When asked who he thought the principal enemy of the Contadora process is, Colombian Foreign Minister Augusto Ramirez Ocampo said it is dfficult to find the villain, and in diplomatic terms it is not for us to say. Ramirez Ocampo said war is conspiring against the Contadora efforts since it feeds on the East-West confrontation, which we with to remove from the peace process. That is why we insist on a the need for a negotiated political process, he continued, which would require the willingness of all the parties involved.

The Colombian foreign minister also said the Contadora Group's conciliation efforts do not and cannot represent any party's point of view, which is why signing the peace act is not enough. The appropriate atmosphere for peace is also necessary, he added.

According to the foreign ministers, Perez de Cuellar told them the international community wants the Contadora Group to continue its efforts for peace in Central America. If they consider it necessary to modify the document, we have not objection, he said, and if they think it is necessary to create a better document, it would be welcome.

According to the Contadora ministers, the next step is to go beyond the negotiating phase in the operational areas, create the verification and control commission, and formulate the statute for verification. Jorge Abadia Arias [Panamanian foreign minister] said that incomprehension is the principal enemy of Contadora.

Along the same line, the Mexican foreign secretary recalled that Contadora has the support of the majority of Latin America, and the main obstacle is that many times the instruments of war are used to achieve peace . That is a contradiction, Sepulveda Amor added.

Central America, he concluded, should not be converted into an area for East-West confrontation.

V. PRESIDENTS NOTE C.A. PARLIAMENT PREPARATIONS

PA270004 Guatemala City Cadena de Emisoras Unidas in Spanish 2127 GMT 26 Jun 86

[Text] The meeting of Central American vice presidents has concluded. It was convoked in compliance with the third point of the Esquipulas declaration, signed on 25 May, by which it was decided to create the Central American parliament preparatory commission. That is why they met here on 25 and 26 June. The meeting ended yesterday [as heard]. The compositon of the Central American parliament preparatory commission was agreed upon. It will include 25 members and will be installed on 14 and 15 July 1986.

Guatemalan Vice President Roberto Carpio Nicolle met with the press after signing the joint declaration of the Central American vice presidents and read the joint declaration.

[Begin recording] [Carpio] On behalf of the Central American vice presidents, whose names follow -- Dr Jorge Manuel Dengo of Costa Rica; Dr Alfredo Fortin Hinestrosa, presidential designate of Honduras; Dr Sergio Ramirez Mercado, vice president of Nicaragua; Dr Rodolfo Castillo Claramount, vice president and foreign minister of the Republic of El Salvador; and Vice President Roberto Carpio Nicolle, of Guatemala.

Forum of Central American Vice Presidents
Guatemala City, 26 June 1986
Joint Declaration of the Central American Vice Presidents

The Central American vice presidents who met in Guatemala City on 25 and 26 June 1986 declare:

The third point in the Esquipulas declaration, signed on 25 May 1986 by the five Central American presidents, agreed to create the Central American parliament preparatory commission, which will be responsible for the drafting of the charter of the Central American parliament. The area vice presidents thus met in Guatemala City on 25 and 26 June in compliance with that mandate.

2. [number as heard] The Central American parliament preparatory commission will include 25 members, as follows:

A) Vice presidents of the Central American states;

B) Foreign Ministers or deputy ministers of the five Central American states;

C) Three representatives of the legislative bodies of each of the Central American states.

3. The following timetable of activities of the Central American parliament preparatory commission was approved:

A) Meeting in Guatemala City on 14 and 15 July 1986 for the formal ceremony to install the Central American parliament preparatory commission, examination of the principles and characteristics of the Central American parliament, analysis of the first document on the Central American Parliament, which was drafted by Guatemala, and discussion in work groups.

It was agreed that a minimum of three meetings, or as many as are necessary will be held in Guatemala City with a view to submit formally to the Central American governments the draft charter of the Central American parliament no later than 15 October 1986. At each meeting the date of the following meeting will be established.

The bylaws that will govern the work of the Central American parliament preparatory commission were approved.

4. They desire to participate fully and actively in the efforts to find an overall, effective solution to the Central American countries in the last trimester of 1987 to choose the representatives to the Central American parliament.

The Central American vice presidents hereby express their deep appreciation to the Guatemalan people and Government for the warm hospitality and attention they received during their stay in Guatemala. This communique was issued in Guatemala City on 26 June 1986.

Members of the press, the Central American parliament is rolling. We are open to your questions. I ask you to limt your questions, as much as possible, to today's meeting.

[Perez] Silveria Perez [words indistinct] We agree that the most important factors for peace in Central America were discussed at this meeting. However, we are also concerned about Nicaragua's reaction to the approval of aid for the contras. Will this not obstruct [words indistinct] a bit?

[Ramirez] No. We came here to participate in this meeting of Central American vice presidents with the desire to make progress with regard to the creation of the Central American parliament. This progress is reflected in the declaration of Central American vice presidents that was just read. Clearly, the action taken by the U.S. Congress represents (?a threat) to peace and Central America [words indistinct]. Nevertheless, I am prepared to discuss this matter in detail during a press conference that I will hold this afternoon at 1600, when I will discuss this topic with you at length. [passage indistinct]

[Reporter] Was there any mention of the determination [words indistinct]?

[Carpio] It is only natural in every discussion, forum, or meeting. There are always some who oppose. The important thing is that we all agree. [Words indistinct] where it is supposed that all decisions have been made jointly. I think this is a good example, because today, after the Esquipulas meeting, we can assert that the vice presidents have recommended [words indistinct] the existence of an elected Central American parliament next year. So we agreed despite our disagreements.

[Unidentified vice president] I would like to reiterate what Dr Carpio has said, that this meeting has been marked by a spirit of much agreement, peace, and concord. Many agreements have been reached regarding the decisions we have made. [words indistinct] the document we have all signed.

We feel that the most important thing of all that Roberto has just said regarding the decision that we have made and that has been expressed in a demonstration of willingness through the document is that, during the last trimester of 1987 at the latest, we will hold direct elections [words indistinct] throughout Central America to elect the representatives to the Central American parliament. This is [words indistinct] that occurs here in a real way [words indistinct]. This indicates the importance and expresses the determination and willingness of Central American countries and peoples to form this parliament. Why? Because this parliament is an instrument and an initiative that fills this gap that currently exists in Central America. This is a very dangerous gap, because it facilitates venturesome policies that do not lead precisely to peace. The trouble is that the ways to war are too easy, while those leading to peace are very difficult. The path to peace is very difficult. The trouble is that far too few offer willingness and what is necessary for peace. We have been contributing our own strength for peace at this very moment, by expressing our willingness to create the Central American parliament. May I repeat, this initiative helps fill this gap.

[Reporter] Will the three deputies who represent each country be elected by the people or appointed [words indistinct] of each country?

[Unidentified vice president] We refer to the representatives [words indistinct]. The representatives to the Central American parliament will be elected just as the Salvadoran president is [words indistinct].

[Question indistinct]

[Answer indistinct]

[Reporter] Some have been mentioning pluralism. Would you say that Nicaragua is a pluralist government?

[Ramirez] I feel it is up to the Nicaraguans to make this classification, first of all. We have proudly stated that Nicaragua has a pluralist government. Seven political parties are represented in the National Assembly, which represents a broad ideological spectrum: the Conservative Party, the Liberal Party, the Social Christian Party, the Communist Party, the Socialist Party, etc. [Words indistinct] that must hold elections for a Central American parliament. Such elections will be provided for in the country's constitution, the discusion of which will soon be concluded. This constitution will have been approved by January 1987. [Words indistinct] will be applied in the election for a Central American parliament.

[Reporter] Mr Salvadoran vice president, you have talked about a vacuum in the parliament that would take place by the end of 1987 or the beginning of 1988. What will happen from now until then, considering that [words indistinct] until this time in Central America? Specifically, what is your government's determination regarding the Contadora act?

[Castillo] Yes, precisely in order to fill this vacuum that you have accurately pointed out, this has not been discussed properly. But we have also talked today about precisely this topic, namely, what would happen from now until the elections of the representatives, if we succeed in having these elections held during the last trimester of 1987. Those in the know say that the parliament would be formed by the middle of 1988.

So, we have felt that this forum that will be formed by 25 Central American representatives, as it has been expressed in the document, could be a sort of consultative organization that would meet, not only to form the parliament itself, but also to discuss some of the fundamental problems in Central America, both political and economic, particularly the remodeling of the Central American integration system, the steps that can be taken in the way of the reactivation of the model itself, what can be recovered from the model of the Central American region and the common market, etc, and, finally, the reactivation of our trade and the resolution of our problems in this field, such as the debts between Central American nations, the foreign debt of each country in Central America, the possible renegotiation of this foreign debt of the region, and international cooperation between Central America and Europe and other countries and regions of the world. All of these are topics that can be discussed, such as the social aspect, the situation of the refugees and displaced, a situation that has occurred in Central America, problems of social isolation, generally speaking, which is a reality in Central America. There are many topics that can be touched upon and will be discussed by this consultative organization.

[Reporter] The political aspects?

[Castillo] Obviously. Obviously, the political aspects, yes, they will be discussed.

[Reporter] [Words indistinct] the parliament be the institutionalized way as such?

[Castillo] No, let's not put it like that, because that may cause some kind of confusion. No, [words indistinct] simply, it would be a continuation of this group. Once the parliament and the treaty have been established, and the treaty has been approved, in sum, the group will continue to hold meetings until the parliament is actually established [words indistinct] in the terms we have talked, and we can continue to discover and gain in this aspect.

Moreover, you should not forget that it was in Esquipulas where the forum of vice presidents was established, and of course the presidents' summit. Obviously, all these [words indistinct] will have to be taken there for discussion. The goal is to try to fill the vacuum. Hence, the big instrument to fill the vacuum is the Contadora Document, and from that point of view and regarding the subject in particular, you asked your question about the Salvadoran stance.

We believe that the Contadora Document should be modified in the points in which the criteria have not been totally defined. For example Chapter 3 regarding [words indistinct] military, armaments, etc. Furthermore, the part on the compliance, the follow-up and control of all these aspects, has not been sufficiently defined yet. Today will will have a meeting to discuss this subject with the foreign ministers.

I firmly believe that this is the position of El Salvador. We, the five foreign ministers, must sit down around a table and have an in-depth and truly frank discussion of this. We should begin the meeting by putting forth the political willingness and the political decision of concluding the document, of concluding the instruments for control, of truly creating the system produced by Contadora in its four fundamental aspects. We must also create a system of responsibilities, of requirements of a political, diplomatic, juridical, and security nature. This is what I feel we should do.

Moreover, Sergio Ramirez is asking me now to mention that his presence here shows that he will participate, he will meet with us, the foreign ministers here, precisely to discuss this point. He will present the Nicaraguan position in this regard. I have given you some statements on the Salvadoran position [words indistinct].

After the Panama meeting, the Central American countries received the responsibility. The Central American countries, after all, were always the actors in this. The Contadora Group and the Support Group were an effort, a mediation. The mediators never fail. The mediators propose; the ones that fail or triumph are the actors. And the five Central American countries are the actors. We are the ones who historically will triumph or fail. And definitely, I personally, and on behalf of El Salvador, do not believe that we can fail, for should we admit the possibility of failing in this, because that would mean that we would condemn our people and future generations to total disaster; condemning them to war, and we do not want war. Definitely not. We are enduring the pain of an internal war, and we do not want this pain to become general in Central America.

[Reporter] Mr [name indistinct], is this meeting of foreign ministers that you have mentioned the one that the plenipotentiary ministers of the region decided to hold in San Salvador?

[Unidentified vice president] No, this is a meeting being held on the initiative of Guatemalan Foreign Minister Mario Quinonez Amezquita.

[Reporter] Regarding the proposal made by the plenipotentiaries excluding Nicaragua, [words indistinct] in El Salvador who were going to meet here in Guatemala, what happened with that project?

[Castillo] No. First of all, Nicaragua was not excluded. What happened was that it was considered easier to start with the four countries that had arrived at more coincidental points in order to advance in the analysis of all the matters discussed within the Contadora Group. We have never excluded Nicaragua, because, definitely, we cannot talk about peace in Central America excluding any country. That would be unreal. So the meeting in San Salvador was a work meeting at a technical level, in which no political decisions were reached. It was simply to review each country's view regarding the Contadora Group matters, without making any political decision. Now, at this meeting (?proposed) by the Guatemalan foreign minister, we are going to discuss the strategies that can and should be followed in the future. I will announce here publicly the Salvadoran proposal. I will propose that the five Central American foreign ministers meet somewhere as soon as possible, with the Contadora Group's documents on the table but, as I said before, with the political willingness and determination [words indistinct], in order to decide if we are really going to create this system or not; if we want peace and if we want to guarantee peace, a peace based on democracy and pluralism -- not the peace of no war, but the peace that really creates the conditions of coexistence and respect, of tolerance and understanding. [passage indistinct]

[Reporter] Did you consider in that proposal the U.S. decision to (?grant aid) to the mercenaries?

[Unidentified vice president] That matter is not in our purview. Definitely. [end recording]

PERUVIAN VICE PRESIDENT HOLDS PRESS CONFERENCE

PY261837 Buenos Aires TELAM in Spanish 0030 GMT 24 Jun 86

[Text] Buenos Aires, 23 Jun (TELAM) -- Peruvian Vice President Luis Alberto Sanchez today asserted that his country and Argentina are alike in a fundamental aspect: the two countries have unfairly exploited poor people and unfairly enriched rich people. The gap between the two extremes must be narrowed in favor of those who have less to obtain social justice with freedom, he said.

Regarding the foreign debt problem he said that, considering the economic crisis currently affecting everyone, there is evidence that the two countries are understanding, in a similar but not identical way, the problem of how to get out of the abyss into which the circumstances are gradually leading us.

Sanchez made these statements today during a press conference he gave at the reactorate of the Buenos Aires University (UBA) in this capital. He was accompanied by UBA Rector Julio Oscar Shuberoff and Peruvian Ambassador to Argentina Alfonso Brados. Reporters asked Sanchez about the prison riots in his country, and he replied that democracies have the right to be firm to safeguard the people's rights. He said that no one in Lima has expressed opposition to the manner in which the government faced and controlled the prison mutinies. He pointed out that President Alan Garcia has ordered a multiparty congressional investigation of the events to give an opinion on what happened. He remarked that the government itself has acknowledged that some excusses may have been committed during the repressions, particularly in Lurigancho.

Sanchez said that the existence of a clear economic policy is a positive balance of the first 11 months of government by his party. The payment of the Peruvian foreign debt is now guided by the needs of the nation and subordinate to the service of the majority sectors and to not further impairing social improvements, he said.

Second, he said, comes the drop in inflation. It can now be said that inflation, which threatened to reach 250 percent annually, will not surpass 64 percent this year, which is a substantial reduction. In order to attain this, various measures had to be adopted, such as the freezing of some prices, a measure that is gradually being lifted, and the stabilization of the foreign currency exchange. He then censured the rigid frameworks of certain social doctrines which say that everyone is equal, adding that his government believes that it must continue working for the oppressed classes of Peru. During the press conference, Peruvian Ambassador Alfonso Brados distributed among the journalists a copy of the Peruvian Government's official communique admitting that 124 people died in the Lurigancho prison, which hints at the possibility that some excesses may have been committed during the repression. The communique also says that the civilian authorities have immediately ordered an investigation to determine the seriousness of events, asking the legislative branch to use its controlling powers to carry out an investigation of what happened.

WORKER RETURNS STOLEN RADIOACTIVE MATERIAL

PY270008 Buenos Aires DYN in Spanish 1531 GMT 26 Jun 86

[Text] Buenos Aires, 26 Jun (DYN) -- A warehouse worker at Ezeiza International Airport was arrested today by airport security forces when he showed up to return a cylindrical container he had stolen. It contained technetium-99, a dangerous radioactive material used in medicine.

The warehouse worker was identified as Hector Flores, who had taken the container from the LADE [state airline] government warehouse, where it was stored among several imported goods. Flores has been placed at the disposal of Judge Julio Piaggio, who is ruling on this case.

LAINO ARRIVES IN BUENOS AIRES, PLANS HUNGER STRIKE

PY270020 Madrid EFE in Spanish 1620 GMT 26 Jun 86

[Text] Buenos Aires, 26 Jun (EFE) -- Paraguayan Authentic Radical Liberal Party [PLRA] First Vice President Domingo Laino today arrived in Buenos Aires from Montevideo after he failed in his fifth attempt to return to his country. In statements to EFE, Laino said "a hunger strike will be my sixth attempt to regain my right to live in Paraguay." Asked about the situation prevailing in Paraguay, Laino said that "the world is becoming aware of the brutal and bloody dictatorship of General Alfredo Stroessner."

ARMY RESTRUCTURING, MODERNIZATION VIEWED

PY200250 Buenos Aires TELAM in Spanish 1530 GMT 19 Jun 86

[Text] Buenos Aires, 19 Jun (TELAM) -- Army Chief of Staff General Hector Rios Erenu and members of the Army staff today briefed Defense Minister Horacio Jaunarena on the progress made on the restructuring of the Army. The meeting, which began at 0945 at the Army headquarters in the Libertador Building, was attended by Budget Control and Planning Secretary Adalberto Rodriguez Giavarini. The briefing focused on a realistic evaluation of the situation within the Army, on its medium- and long-term prospects, and on the methods for carrying out a study entitled Modernization of the Armed Forces.

After opening remarks by Rios Erenu, the following officers spoke: Personnel Department Chief General Miguel Abatte, Intelligence Department Chief General Francisco Gassino, Staff Director General Juan Carlos Medrano Caro, Logistics and Financial Department Chief General Julian Perez Dorrego, Planning Director General Roberto Dominguez, Institutional Policy and Strategy Department Chief General Roberto Atilio Bocalandro, Training Department Deputy Director General Valentin Venier, and Logistics Commander General Arturo Alias. Also in attendance were Army Deputy Commander General Mario Sanchez and Defense Ministry advisers.

The Army officers outlined more than 100 actions to be taken in the areas of health, meteorology, weaponry, supplies, communications, training, sale of assets, compulsory military service, and social services. As for the plan for streamlining the Army, the officers told the minister that the objective of the plan is to improve the use of budgetary allocations and raise the level of efficiency. The officers stressed that it was necessary to dissolve, merge, or deactivate some departments to cut spending and improve the efficiency and performance of joint military actions.

The briefing also touched on the measures that were already enacted and those that are still under study for the purpose of designing a military structure in line with the needs and abilities of the nation, both for the medium- and long-terms. The officers based their report on two interrelated courses of action: streamlining and restructuring. The first one, which aims at resolving specific problems, seeks to adjust the current structures to the available resources and the strategic needs. The second course of action is aimed at shaping the Army for the future, that is, for the long-term.

The minister was told that these plans will call for major structural changes, if the government objective of having an efficient and modern army with joint operation capability is to be attained.

The briefing was followed by a lunch, during which the minister and the officers reportedly discussed the budget, the federal appellate court decision, and other current issues.

FARM GROUPS GIVE GOVERNMENT 2-WEEK 'TRUCE'

PY242356 Buenos Aires BUENOS AIRES HERALD in English 24 June 86 p 3

[Text] (NA-DYN) -- Argentina's two major farm groups agreed yesterday to a two-week "truce" with the government before renewing protests over agro-related problems. The ARgentine Rural Socuety (SRA) and Argentine Rural Confederation (CRA) came out of a three-hour meeting of the Agricultural Economic Emergency Council saying they would hold off protests until July 8.

It was the first meeting between the SRA-CRA representatives and government officials since the two groupings led a 72-hour farmers strike June 9-11, which sparked meat hikes at the Liniers Market.

Economy Minister Juan Sourrouille, Agriculture and Livestock Secretary Lucio Reca, SRA President Guillermo Alchouson, CRA head Raul Romero Feris, Argentine Agrarian Federation (FAA) President Humberto Volando, and Intercooperative Agrarian Federation (Coninagro) President Valentin Levisman all attended the meeting.

The farmers' group said that the recently-fixed "support price for linseed and easing of tax retentions on wheat are two clear examples of how government action has benefited from the participation of farmers' entities on the Council."

During the talks, Alchouron and Romero Feris asked the government to extend to all farmers the credit lines alloted for small- and medium-sized farms and also the reduced export retention on linseed, which is around 28 percent.

They called the current measure "political and discriminatory" because "it aims to benefit small farmers" grouped in the FAA and Coninagro.

Following the June 9-11 strike, Reca announced that the government had decided to reduce wheat export retentions from 15 to five percent and was considering adopting a similar decision with regard to other grains.

Other recent announcements by the government include freight price facilities for moving the soybean harvest in the northeastern provinces, and help in financing debts of small cotton growers in Chaco and Formosa.

OPPOSITION, UNIONS REJECT BARTHELEMY'S CHARGES

PY261651 Madrid EFE in Spanish 2139 GMT 25 Jun 86

[Text] La Paz, 25 Jun (EFE) -- The Bolivian Labor Confederation (COB) and the political opposition has expressed its annoyance over the charges made by Interior Minister Fernando Barthelemy who said that drug traffickers and union organizations have a plan to oust the government and that this plan will be disclosed within the next few hours. The COB today issued a harsh document in which it warns that the government has prepared a repressive plan against unions aimed at preventing the consultation with the people on the tax reform and the payment of the foreign debt, which is scheduled to take place in July.

The COB said that the Interior Ministry wants to denigrate the people's movement, and the peasants who were the first to reject the tax reform after last weekend's national meeting in PatacaMaya, located in the La Paz Department. The political opposition has described Barthelemy's statement as "explosive" and believes that this proves that the government "fears the people's statement against its economic model and the IMF recommendations."

Mario Rueda Pena, former information minister during the Hernan Siles Zuazo government, today said that the interior minister has exaggerated the issue about the real extent of the union's opposition to the tax reform and the government's economic policy. Rueda Pena said that "I do not believe that the working class is preparing a people's rebellion to oust the government. The Bolivian people's movement has shown its maturity and it does not support venturesome plans."

For his part, German Monroy, the leader of the convergence axis made up of the four most radical Bolivian parties, said that "we categorically reject the threatening statement made by the interior minister." He said that "the fact that they are trying to connect drug trafficking actions with legal actions, like popular consultation and the freedom of speech, shows that the government is losing its confidence in the feasibility of its economic program."

The Movement of the Revolutionary Left-New Majority (MIR-NM) headed by former Vice President Jaime Paz Zamora, has also criticized the government's effort to involve the unions with drug trafficking and conspiracy.

For its part the MIR-Bolivia Libre, headed by Deputy Antonio Aranibar, has noted that the government "is desperately trying to undermine the credibility of the people's opposition to the tax law and to harass the people.

Today the interior minister reasserted his charges and added that within a couple of hours he will disclose "the COB's plan to oust the government." Barthelemy warned that the government is willing to declare a state of siege in the country with the objective of adopting preventive measures "against this plan which strives to thwart the democratic process and promote a rebellion of the masses."

RESPONSE TO REESTABLISHMENT OF RELATIONS WITH CUBA

Foreign Minister Comments

PY261452 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 Jun 86

[Text] Foreign Minister Abreu Sodre and his Cuban counterpart Isidoro Malmierca yesterday at 1600 simultaneously announced the reestablishment of diplomatic relations between Brazil and Cuba that were broken on 3 May 1964. [recorded statements by Abreu Sodre indistinct]

Foreign Minister Abreu Sodre emphasized that the reestablishment of diplomatic relations between Brazil and Cuba is based on the development of friendly cooperation in accordance with the UN Charter, especially in the areas of sovereignty, independence, and territorial integrity. Sodre explaind how the Brazilian Government expects that the relations with Cuba will be conducted in a serious manner with a thorough and strict respect for the principle of nonintervention, to study the possibilities for dialogue and cooperation. We believe [words indistinct] that the relations can be useful for the two countries if they are conducted in a balanced and clear manner for the benefit of the permanent interests of the two countries. [end recording]

Abreu Sodre added that he does not believe that the upcoming negotiations on informatics, to be held next July in Paris between Brazil and the U.S. Government, will be affected by the reestablishment of relations between Brazil and Cuba. Sodre also pointed out that the reestablishment of relations with Cuba is the first step toward the reestablishment of relations with North Korea, Vietnam, Formosa, and the other countries with which Brazil does not maintain relations.

Armed Forces Chiefs Respond

PY261649 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 Jun 86

[Text] Aeronautics Minister Octavio Moreira Lima and Jose Maria do Amaral, chief of the Armed Forces General Staff (EMFA), have stated that the reestablishment of diplomtic relations between Brazil and Cuba is a normal event.

Moreira Lima recalled that President Jose Sarney announced at the beginning of his administration that Brazil was going to maintain relations with all countries, and that Sarney is just fulfilling his promise. He added that the government decision was the result of negotiations that lasted over 1 year and that the decision cannot be questioned [recorded passage on Moreira Lima's statement indistinct]

EMFA Chief Jose Maria do Amaral stated that it is normal to maintain relations with all countries of the world. He added that it would be abnormal not to maintain relations. He pointed out that there is no reason for concern over the reestablishment of relations between Brazil and Cuba. He recalled that the first reestablishment of relations was with the PRC, now it is with Cuba, and that this is part of a plan that is being developed

He added that the two countries are not gaining or losing anything by the reestablishment of relations. He said that the reestablishment of relations is a normal thing.

Navy Miniter Henrique Saboi did not want to comment on this issue, and Army Minister Leonidas Pires Goncalves was not available. He will arrive today in Brasilia from the Amazonia Army Command where he has been making an inspection.

First Commercial Contract Signed

PY270224 Brasilia Domestic Service in Portuguese 0000 GMT 27 Jun 86

[Text] Brazil and Cuba have already signed the first commercial contract after the reestablishment of diplomatic relations between the two countries. The Caribe Communications Cinematographic Company, which is owned by Brazilian movie director Ney Brodevich, has been accredited to distribute Cuban movies in the Brazilian market.

According to Brodevich, President Sarney's decision is an act of justice that has legally united two countries that have always been intimately related. He added that the reestablishmen of diplomatic relations will open new paths for the exchange of scientific information between Brazilians and Cubans.

Civilian Household Chief Marco Marciel has praised President Sarney's decision to reestablish diplomatic relations with Cuba. He explaind, however, that this decision does not signify agreement with the Cuban domestic policy.

FOREIGN MINISTER TO VISIT AFRICAN COUNTRIES

PY262200 Sao Paulo O ESTADO DE PAULO in Portuguese 25 Jun 86 p 2

[Text] Foreign Minister Roberto Costa de Abreu Sodre will visit Angola, Cameroon, and Nigeria in October. In Launda, Abreu Sodre will hold meetings with the Brazilian ambassadors to Mozambique, Tanzania, Zimbabwe, Botswana, and Zambia. According to the foreign minister this will be a working visit and not a preparation for a possible future visit by President Sarney to Africa. Abreu Sodre said that the ties between Brazil and the African countries must be improved, this issue being a priority chosen by President Sarney himself.

IBRD CONFRONTATION CONNECTED TO INFORMATICS

PY270150 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 25 Jun 86 p 3

[From the "Notes and Information" page: "Brazil and the United States at Odds in the IBRD"]

[Text] For the second time, the U.S. representative on the World Bank executive board has tried to prevent the granting of a loan to Brazil. First, the U.S. representative abstained, along with the Japanese representative, from approving a $500-million loan for the Brazilian hydroelectric sector. The day before yesterday he wanted to examine a loan for the same amount for the Brazilian agricultural sector, saying he needed more time to convince U.S. farmers that this aid would not harm their interests.

Whatever argument is used, such an attitude reveals bad feelings toward Brazil, and it is certainly connected with the issue of the informatics law.

World Bank statutes clearly state that the granting of loans cannot be linked to political problems or be denied because of national interests. A consensus of the IMF and the World Bank management board members was never reached; moreover, the statute regarding the Bank's international employees was never clearly defined as it was for the other employees. Therefore, there is no doubt that the U.S. representative acted in defense of national interests. In the case of the hydroelectric sector, he justified his abstention on the grounds that further financial negotiations were necessary. As long as Brazil's eletricity rates are not readjusted, Brazil cannot easily pay its commitments to foreign creditors.

This argument seems to be well-founded, but it evidently stems from political reasons. First, the United States wishes to pressure Brazil on the informatics issue. It is shameful that a good cause should be marked by such disagreeable aspects. Second, the United States knows that the price of energy works to Brazil's advantage, even regarding the fact that U.S. companies working in our country take good advantage of that price (as they do, for example, in the case of aluminium production).

The political attitude of the United States became more evident in the case of the loan for the agricultural sector: It is necessary to defend the American farmers against the competition of Brazilian products in world markets. It is understandable that the Washington administration should take its electorate into account, which is very well-organized in the farming sector. It is also necessary, however, to take into account that Brazil will only be able to pay its foreign debt and buy American equipment if it increases its exports, and this should be explained to the American people.

It is important to note that Brazil at least managed to obtain support from the other IBRD member-countries in the matter of the loan for the hydroelectric sector,and very likely that tomorrow, it will obtain support from the majority in the case of the loan for the agricultural sector. Nonetheless, an odd incident occurred: Japan sided with the United States regarding the loan for the hydroelectric sector. This is a curious fact, because this World Bank's loan will allow Brazil to pay for equipment to be bought in transactions involving international bids that Japan has great possibilities of winning.

Europe has fully supported Brazil, mainly because it knows that the World Bank is Brazil's only source of hard currency. If Brazil obtains the $500 million loan on 30 June, (last day in the IDRB fiscal year), our country will have had its best year with the World Bank, obtaining loans totaling $1.618 million. If not, this will be our worst year with the IBRD since the crisis started. We must acknowledge the great importance of World Bank and IMF loans, and it must not be forgotten that the IMF and the World Bank work closely together, and that Brazil will have to return to the IMF if it wants help from the World Bank. If Brazil does manage to obtain support from the majority of European countries, it will be because Brazil has resumed payments of overdue interest rates and 15 percent of the principal on loans from the Paris Club and because it has clearly shown that, as soon as the political atmosphere allows it, it will return to the IMF. The countries of the Paris Club have influence in the World Bank executive board.

This episode has also convinced us of the need for Brazil to sit on the World Bank executive board, not just on the IMF board. Our government has been working on this, and everything indicates that Brazil will be able to obtain a place in the management of the international organization so that it can defend its interests more directly.

It is necessary however, to understand that once Brazil has decided to cooperate with other organizations, it must not adopt the hostile attitude it did toward the IMF.

DETAILS OF 7-YEAR SPACE PROGRAM OUTLINED

PY262154 Madrid EFE in Spanish 2033 GMT 24 Jun 86

[By Jorge Matiz Fernandez]

[Text] Sao Paulo, 24 Jun (EFE) -- Brazil is preparing to launch four more satellites a part of a 7-year program that calls for the use of Brazilian-made booster rockets. Th first one will be launched in January 1989. Aydano Carleial, thief of the space mission department of the National Institute of Space Research (INPE), has revealed that the first completely Brazilian-built weather satellite will be ready late this year. The weather satellite, which weighs 115 kg, will be launched on 31 January 1987 and will orbit at a height of 800 km. This satellite will be launched by a booster rocket manufactured at the Aerospace Technology Center [CTA].

According to a report published in the latest issue of the magazine ISTO E, the weather satellite is being built by Brazilian and French engineers at the National Center for Space Studies of France [name as received] in the city of Sao Jose dos Campos, a well-known aircraft manufacturing center 100 km north of Sao Paulo. This will be the third Brazilian satellite launched into space. Communications satellites Brasilsat I and Brasilsat II were launched in 1985 and 1986.

Brasils at I, which opened the Brazilian space program, was launched on 8 February 1985 from the Kourou Base in French Guiana with an Ariane-type French rocket. On 28 March 1986, 13 months after the first launching, the Ariane III rocket launched the second Brazilian satellite after a 9-day delay. Since then, Brazilian technicians have worked on a 7-year program, which will require a $280-million investment in its first stage.

Additionally, the INPE invested $20 million to adjust a laboratory for testing satellites that will simulate the conditions prevailing in the "interplanetary vacuum." In addition to the meteorological satellite that will be launched in 1987, the INPE is developing three more satellites that will be launched in 1991 and 1993. The last two satellites of the Brazilian space program, which were scheduled to be launched in February 1987 [words indistinct] by INPE for long distance measurements.

The first models of this type of satellite will be completed next year and will be tested at the "interplanetary vacuum" lab. Those responsible for the Brazilian space program are not satisfied with the program and have started to design a second stage that includes a space solar observation laboratory. This stage, which is still being discussed, consists of five satellites, two of which will be for research purposes.

Another project is designed to orbit a strange telescope for "peeking" into the space darkness. These projects will make Brazil one of the most advanced developing countries in the space field, very close behind technologically advanced countries like France and Great Britain.

NEW COMMITTEE FOR HUMAN RIGHTS VIOLATIONS

PY260234 Santiago Radio Chilena in Spanish 1700 GMT 25 Jun 86

[Relay from La Moneda Palace by Eliana Herniquez]

[Text] A government committee created to prevent and deal with human rights violations will be installed at 1600 this afternoon at the Interior Ministry. The government decree creating this committee was signed by President Augusto Pinochet during a ministerial Cabinet meeting held at La Moneda Palace, during which Interior Minister Ricardo Garcia explained the scope of the decree to all ministers.

Garcia stated that the committee's role will be to assess all terrorist actions that may result in injuries or death, illegal punishment or arbitrary arrests, without affecting the appropriate judicial procedures.

The group will be headed by Minister Garcia himself and will propose measures or recommendations to prevent these actions, and will make proposals to help victims with legal assistance, and in special cases, to recommend economic or social compensations for them or their relatives.

Six people will make up the committee: Father Alfredo Ruiz Tagle; Admiral Jorge Swett, retired; Lawyer Ricardo Martandia; medical Dr Arturo Atria Ramirez; and Engineers Sergio Silva Vazcunan and Enrique Valenzuela Blanquier.

According to Minister Garcia, this committee will begin by reviewing actions committed against the life and freedom of persons. The interior minister added that the creation of this advisory committee is absolutely in keeping with the principles ruling any government action. He added that the president of the Republic has decided to create this committee to conduct the work that was previously carried out by the Foreign and Interior Ministries, with the purpose of adopting measures that will guarantee all essential rights provided for by the national Constitution, and especially those dealing with the life, physical integrity, and personal freedom of all citizens.

TRUCK OWNERS' CONFEDERATION TO JOIN ASSEMBLY

PY232037 Madrid EFE in Spanish 1950 GMT 20 Jun 86

[Text] Santiago, 20 Jun (EFE) -- The decision by the influential Chilean Truck Owners Confederation to withdraw from the Social and Economic Council (CES), suspend payments on its debts, and join the Civic Assembly is one of the most important political events in recent years.

Confederation President Julio Lagos today confirmed that the Confederation has decided to walk out of the CES, a high-ranking advisory organ to the military government of general Augusto Pinochet.

The truck owners also reported that they have agreed to join the Civic Assembly, an opposition group that only six out of the seven federations of the truck owners sector thus far had joined.

The truck owners' decision comes after the Civic Assembly, which is made up of 18 major opposition social organizations, called for the first general strike against the regime for 2 and 3 July.

In addition, the sector has decided to suspend payments to all its creditors, among them the Disbursement Management Administration [Sociedad Administradora de Pagos], the Pegaso company, and the commerical banks.

The decision by the Confederation is of considerable significance, taking into account the importance of his major sector in the past few years. The truck owners played a decisive role in the actions that led to the ousting of the government of Salvador Allende in 1973, when the current regime took over.

In 1972 the truck owners, specifically those of Coyhaique (in southern Chile, 2,000 km from Santiago), began a strike that resulted in the first major general stoppage that gave the initial blow to Allende's constitutional government.

Upon announcing their decision to join the opposition, the truck owners pointed out that the reasons for this action are similar to those that led them to decree a stoppage in 1973. Lagos said: "The commitment that our sector assumed in 1973 compels us to search for economic and political solutions for the future."

Truck owners leaders have said that their major economic problems are the sector's huge debt, while freights have remained unchanged; the ever-increasing price of spare parts; and fuel prices, which have not decreased as much as on the international market.

The truck owners also complained about the government's support for large corporations, "to which it has given more than $4 billion," while the transportation sector has not received even 2 percent of that figure.

From a political viewpoint, after systematically refusing to establish relations with other organizations over the past few years, the turck owners have now decided to actively support the Civic Assembly. This step has strengthened the opposition group, which is made up of business, peasant, worker, public and private sector employees, womens organizations, and the 17 university student federations. The entire transportaton sector is expected to join the Civic Assembly shortly.

ARTURO BRANDT NAMED HEAD OF RADICAL PARTY

PY270219 Santiago EL MERCURIO in Spanish 25 Jun 86 p C 5

[Excerpt] Radical Party [PR] Vice President Sergio Trucco Palacios yesterday reported that physician Arturo Brandt Alvear has taken over as the new PR president. Brandt Alvear replaces attorney Gaston Ureta Godoy.

This decision was made by two-thirds of the active members of the PR National Executive Board.

Trucco, who is the only member of the Executive Board who maintained his position, stated that the change in leadership occurred "as a result of the lack of leadership of former presidente Gaston Ureta, who was unable to keep the party on the path outlined by the National Executive Board.

EDITORIAL VIEWS JUSTICE PALACE REPORT

PA260337 Bogota EL TIEMPO in Spanish 23 Jun 86 p 4 A

[Editorial: "A State of War?"]

[Text] There is virtually not enough time to read and reread, as one ought to, the reports pertaining to the Justice Palace takeover. The attorney general's report was released yesterday, after a presentation by [Attorney General Carlos] Jimenez Gomez, for whom the "showcase coup" [vitrinazo] is a favorite dish, abundantly consumed during his 4 years in office. It was not as alarming as was expected. It does contain, however, an element of danger, which we will discuss further on. The report denotes, more than a serious investigation, the results of the "personal views" that so deeply influenced the actions of the attorney general, whose term expires on 20 July.

It appears that Jimenez Gomez' report drifted into turbulent waters. The current situation and last minute developments overshadowed the report's relevance. This was the last or perhaps second-to-last action Jimenez will have taken as attorney general. The attempt on the government minister came across as clear evidence of the revolutionaries' savagery. It dissipated the climate of complacency that permeates certain parts of the attorney general's report and is easily discernible in the statements he issued during the early stages of his administration. The attempt on the government minister has begun to erode the beliefs on the moral quality of the guerrillas upheld by various observers and to shatter the subtle defenses on their behalf by sectors whose manifestations denote the naive emotionalism characteristic of a certain faction of the Colombian left. Even the barbaric uprising by "Shining Path" guerrillas in Peru's prisons had an unfavorable effect on the attorney general's report. With respect to what happened at the Justice Palace, the report must be regarded in a different light. Those who read it will find a not-all-that-carefully-concealed, sharp and biting analysis on the failure of what has been known as the peace process. On occasions the attorney general allows his "personal views" to take over, leading him to moments of compassion or complacency toward the guerrillas, while at the same time, and we conclude this from the report, coming to terms with the harsh reality of facts, the use of unjustified acts of violence throughout the long period of peace talks, and the clear ungratefulness toward the president of the Republic. All are clearly highlighted, as he ends by saying that the Armed Forces "are not the secret enemies of peace."

The report does not contain a single criticism of the military forces or of the action they undertook to recover the Justice Palace. On the contrary, it effervesces words of praise for the military's performance, and though admitting that several people disappeared during the action, it does so with benevolence and stolidity. The attorney general's final argument focuses on what he singles out as a possible mistake: the failure to protect the civilians who were trapped inside the palace and to have set into motion actions to secure the release of the hostages before undertaking any military action. We have already set forth our ideas on this controversial issue. We support the decision and actions taken by the president of the Republic in conjunction with the Armed Forces. We are certain that the overwhelming majority of the population agrees with us and the former presidents of the Republic in our support for the thesis set forth by [former President] Lleras Restrepo on the events that took place at the Justice Palace.

Today we observe and again compare the situation President Betancur is facing with that confronting Peruvian President Alan Garcia: the barrage of attacks against Garcia's instructions to reinstate order in the Peruvian prisons.

He is also being criticized because he did not try to negotiate and because of the number of dead. His critics failed to consider what might have happened if a firm decision for swift action had not been taken. The "Shining Path," like the "M-19," has clearly defined goals: to overthrow Garcia in Peru, as attempts were made to overthrow Betancur in Colombia. That battle against the revolutionaries is either won or lost, and the price must be paid, regardless of how high it may be.

Now we must ponder the disquieting decision of whether to classify the palace takeover as "an act of war." If the attorney general's ideas are accepted, then all guerrilla actions are justifiable. If the actions by the M-19 and other guerrilla organizations are afforded legal legitimacy, as would be the case with military confrontations with Peru or Venezuela, then no one will be able to hold the savage hordes that work under the protection of the various guerrilla groups responsible for anything they might do in the future. We cannot understand the attorney general's rationale for proposing such an idea. Perhaps it is the best justification he found for accusing President Betancur and the minister of defense at the Chamber of Representatives. He went too far, however. To accept the internationalist thesis of "casus belli" in a confrontation between a legitimately established Colombian democracy and the subversive actions by armed groups is a breach of the nation's legal order. It implies the disavowal of the recent elections, in which 8 million Colombians said no to armed action, no to the pretensions of the M-19 and other extremist sectors. The attorney general's thesis implies accepting and legalizing the predominance of a tiny minority over a mass of free men who rejected violence at the polls.

There is no civil war in Colombia. There are extreme left-wing groups that are being encouraged from abroad: Keep in mind the case of the ship discovered with a large military arsenal in Panama. We continue to live in a framework of legality, the same framework that has allowed the perplexing ideas of the attorney general to find a legal venue. It is imperative to clarify and stop in its tracks the thesis that we are in a state of war as if this were a conflict with a neighboring country that was so brilliantly set forth in the controversial report by the Colombian Attorney General's Office.

SALDIVAR: NO PROTEST RECEIVED FROM URUGUAY

PY261543 Asuncion EL DIARIO in Spanish 26 Jun 86 p 8

[Excerpts] "We have received no message, nothing," Foreign Minister Carlos Augusto Saldivar said yesterday afternoon when asked if the "Uruguayan Government had formally protested the incidents at the Asuncion international airport, where two Uruguayan lawmakers were beaten by police." Some reports have stated that U.S. State Department spokesman Charles Redman would also protest to the Paraguayan Government the "harsh police action" at the airport.

COLORADO PROGRAM ALLEGES 'MEDIA INFILTRATION'

PY262212 Asuncion Domestic Service in Spanish 0030 GMT 25 Jun 86

[Editorial from the "La Voz del Coloradismo" program]

[Text] As never before, the press in our country is being managed by elements unconditionally at the service of the subversive plan. Apart from one or two radio stations and a newspaper, the other communication media are creating the conditions for psychological war against the government. This is being done through the presence in key staff positions of journalists who are well-known as sensationalist and morbid misinformers and distorters of the truth. The leftism of the press in Paraguay is a sad fact about which the authorities are doing practically nothing. We say this frankly and with no fear of self-criticism within the party. This indifference of the authorities toward the serious problem of mismanagement of the communication media may yet have unpredictable and negative consequences for the nation's future.

An example of this will be sufficient: the case of Uruguay, which was the South American Switzerland 2 decades ago. With its democracy and freedom it was an example of an almost perfect state of law. Yet, through the sinister action of international communism, with the Tupamaros as its armed branch, that democracy and freedom, that state of law, went down the drain, and the Uruguayan people suffered untold misery. The cream of Uruguayan youth was lost, and the beautiful structure of one of the best civic cultures of the continent collapsed. The Tupamaros were given the green light to unleash one of most terrible guerrilla wars, only because the press paved the way in advance, subverting the minds of the Uruguayan people.

The Tupamaros infiltrated newspapers, radios, and television organizations, as they did social and labor organizations, university associations, and hospital workers' organizations, just as is now happening here in the Hospital de Clinicas and even in the church. Well-positioned, well-supported, and not resisted, the infiltrators waged a real psychological war against the government through the well-known methods of disinformation, minimizing the great actions of the state, discrediting the national authorities, mocking public personalities, and sensationalist magnifying of negative events.

The psychological war unleashed by Tupamaros who had infiltrated the media undermined the people's confidence in the government and democratic institutions. Then came mass rallies, sabotage, terrorism, and violence, with all the trimmings of subversive actions that cost the lives of thousands of innocent people.

Thus the South American Switzerland was destroyed, giving way to one of the most sinister forms of terrorism. Let us hope that this never happens in our country. However, similar symptoms are appearing in the supposedly independent press in Paraguay.

Clear signs that the press is being manipulated with subversive designs can be noticed in the presence of well-known leftist agents who, directly or indirectly, are managing the media and a well-organized campaign against our government. They are selling negative information to the people, and some journalists do not hide the fact that they are subversive and violent agitators. But let us produce some evidence, since the Colorados can speak straightforwardly, at least here on the "Voz del Coloradismo." We are not afraid of naming names, because we like to fight face to face. We denounce and will continue to denounce the enemies of the people who, using the press, are plotting against democracy, peace, the state of law, and the laws.

Let us name the former petty newspaper of subversion in the first place, which, thank God, was suspended and eliminated, as any malignant and cancerous tumor should be. Because of lack of foresight by the national authorities, the journalists who used to work for the newspaper published by the Yegros Street gay [ABC COLOR Director Aldo Zuccolillo] took positions, stimulating the division of the Colorado Party, the disunity of the family, and the abuse of public liberties. The lair of communist rats, as Humberto Perez Caceres calls it, no longer exists, but its agents do, ensconced in other newspapers, radios and televisiosn channels.

For instance, EL DIARIO, whose owner professes to be a friend of the government and President Alfredo Stroessner, not long ago minimized the rally and parade of the Colorado women and cynically played up the gathering of a few schizophrenic ladies who were banging pots and pans, rather than giving more space to the march of 100,000 Colorado women, 100,000 Republican ladies. It did the same with the rally of Colorados in Encarnacion; a rally of fewer than 50 youths who were used by infiltrated priests and rated a 5-column picture on the front page was more important for EL DIARIO than this impressive Colorado demonstration.

No less can be said of ULTIMA HORA, the small dog following the steps of the Yegros street newspaper, whose publisher is the ungrateful son of the illustrious Colonel Pablo Rojas. Here, under the command of Cazenave, Sostoa, Cespedes, and other embittered newsmen who used to write for the Yegros street gay, the information from the government is multilated, the rogues of politics are puiblicized, and anything that comes from the Colorado Party is assailed, except its internal dissensions, which are privileged with wide coverage. Now if ULTIMA HORA displays subversive tendencies, what could we say about Radio Charitas, for instance, which lost all its Catholic and religious circumspection and became a brazen mouthpiece of th left under the guidance of Guillermo Yaluk and other recognized Marxist sympathizers?

We have already talked a great deal about Radio Nandupe Poison spider, a pun on Nanduti]. We should only mention now the fact that its director, army-deserter, former Industry and Commerce Ministry inspector who, being of Jewish religion, not nationality -- please note the difference -- could not care less that the communists and Marxists murdered millions of Jewish people. Today he is allied with the socialists and plays along with the left, that is, with the murderers of his ancestors. This says it all. But Nandupe is not alone, because, in addition to Radio Charitas, it has an ally in Radio Primero de Marzo, where, under the command of the Viking Christian Nielsen, who still has to prove his Paraguayan citizenship, the microphones are unconditionallay open for the subversive plan.

The two television channels also have well-known leftist agents on their staff. We are referring to Salazar, the carbon copy of Ernesto Garcia and friend of former Boy Scout Ricardo Caballero Aquino, who calls himself the Cabanas [Paraguayan soccer star] of the intellectuals. While he was with Radio Charitas, Salazar continuously drummed up support for the frustrated playwright [Alcibiades Gonzalez Delvalle] and other pseudo-intellectuals committed to the subversive plan.

The situation is serious, because this sector of the press, which is managed by useful fools -- some of them are not fools, but they are very useful to communism -- is reinforced by correspondents of international press agencies in our country. Although they are Paraguayans, these correspondents are a matter of concern because of their anti-Paraguayan mentality. The roster of these press agencies includes AFP, EFE, LATIN, AP, UPI, and others, where Hugo Ruiz Solazar, Alfredo Seirfelt, Mauro, and others are daily and persistently dispatching distorted information about Paraguay, thus setting in motion the vast subversive plan through a journalistic merry-go-round, going from Paraguay to the outside world and then back to Paraguay. But this is a futile effort to dislodge the Colorado Party from the government and replace it with communism.

If the national authorities continue to do nothing about this situation, we Colorados will do something, at least here at "La Voz del Coloradismo," regardless of who gets mad or annoyed. We will not let the press be used as a vehicle to subvert the people. We will not keep our arms folded as long as these terrorists of the typewriter continue attacking the government, the state of law, and democracy with impunity. If the national authorities do not take action about this situation, we will respond to third aggression with our ideas, with the doctrine of the Colorado Party, and with the ideological firmness of President Alfredo Stroessner, who taught us to struggle for democracy without communism and communists and to do so face to face, holding our positions.

RADIO JOURNALIST REPORTEDLY ARRESTED, BEATEN

PY262100 Asuncion EL DIARIO in Spanish 26 Jun 86 p 47

[Text] Radio Charitas journalist Celso Velazquez was arrested and beaten yesterday, according to reports received from Caaguazu Department yesterday afternoon. Celso Velazquez is in charge of the program "We the Peasants" that is broadcast by Radio Charitas. He had gone to the Syryka district in Caaguazu to investigate the situation of approximately 150 local peasants who live in that district where an organization of landless peasants is working.

Spokesmen of the Interior Ministry branch office of Caaguazu Department indicated that they did not know of any journalist who had been arrested, but persons arriving from the area where the event took place, such as Calle 1a and Jovy Central, reported that Velazquez was arrested and beaten for trying to obtain more information about the situation of the peasants.

Radio Charitas spokesmen said last night that they know nothing about Velazquez, and an employee said that perhaps someone among those responsible for the "We the Peasants" program who was not in jail would be able to provide information on the journalist [sentence as published] The radio station journalist and some peasants were arrested by personnel of the police station of Raul Arsenio Oviedo district.

U.S. CARGO PLANE FORCED TO LAND IN LIMA

PY270104 Paris AFP in Spanish 0017 GMT 27 Jun 86

[Text] Lima, 26 Jun (AFP) -- Civil aeronautics sources have reported that a U.S. cargo plane was forced to land at this capital's Jorge Chavez Airport because it did not have permission to overfly Peruvian territory.

According to reports, the plane, which was flying from Mexico to Chile, was spotted early this morning near the Peruvian-Ecuadoran border, and when it was noted that it had not registered its flight plan it was ordered to land at Lima airport, which it did without incident. The plane is a Boeing 707, Registration No N-345-FA, and it belongs to the Race Company. This afternoon representatives of Eastern Airlines were trying to get the appropriate fines paid so that the plane and its crew of six could continue their flight.

Two weeks ago a Pan Am passenger plane flying to Santiago from Los Angeles had to land at Lima airport because it did not have permission to overfly the country. U.S. commercial planes cannot currently make stopovers in Lima because the air agreement between Peru and the United States expired 2 years ago and has not been renewed. Representatives of the two governments are negotiating a new agreement.

FRANCE AGREES TO REDUCTION OF MIRAGE PURCHASE

PY232148 Paris AFP in Spanish 2122 GMT 23 Jun 86

[Text] Lima, 23 Jun (AFP) -- President Alan Garcia today announced that France and Peru have reached an agreement to reduce from 26 to 12 the number of French-made Mirage 2000 aircraft to be purchased.

During a press conference granted to the foreign media at Government House, President Garcia stated that reduction of the Jupiter contract between the Peruvian Air Force and the Marcel Dassault Enterprise will allow Peru to save some $366 million. Negotiations on this issue started with France last year, shortly after President Garcia announced his decision to reduce military expenditures in order to channel the saved resources toward the country's economic development.

ANDEAN JURISTS CONDEMN HANDLING OF PRISON RIOTS

PY241357 Madrid EFE in Spanish 2004 GMT 23 Jun 86

[Text] Lima, 23 Jun (EFE) -- The number of deaths incurred during the repression of the riots in 3 Peruvian prisons stands at 267. The executive secretary of the Andean Jurists Commission today reported that there were 138 victims among the prisoners at El Fronton Prison Island. This total is a result of adding these 138 to the 2 prisoners who died at the Santa Barbara women's prison, the 124 inmates who died in the Lima Prison of Lurigancho, and the 3 Marines killed at El Fronton, according to official figures.

Diego Garcia Sayan, executive secretary of the Andean Jurists Commission, today released a communique to foreign correspondents and held a press conference on the events that occurred in the three prisons on 18 and 19 June. The press conference was not attended by Msgr Augusto Beuzeville, auxiliary bishop of Lima. He had been expected to be present, but as the prelate himself said, the Social Action Commission of the Peruvian Bishops is studying the same case, so he did not deem it suitable to make any comments.

The communique said that "the massacres that occurred as a reprisal for the taking hostages cannot be deemed necessary, since over 90 percent of the inmates were killed" in the three prisons. Garcia Sayan said that of those who had been charged with terrorism and killed in the repression, only 10 percent had been sentenced, to the rest were "technically" innocent.

The communique says that the action against the rioters "has seriously affected the legal order and the democratic institutions of the country." It says that available information "leads to the grave conclusion that the officials did not resort, as was required by the situation, to all the forms of persuasion and dialogue that were essential to prevent the bloodshed that could be foreseen." It adds: "It is not true that sufficient efforts were made to find a solution different from what occurred.

The communique says further that, despite the state of emergency imposed in Lima and El Callao, "the civilian officials have full authority, and the role of the Armed Forces should be limited only to preserving internal order, when the executive branch so orders."

The communique charges that the authority of the public administration "has been overpowered. This has happened with the judicial branch, the Justice Ministry, and the prison officials. All these have been prevented from taking action, thus violating the guarantee that justice will be administered."

The trial judges could not enter the prisons, which were declared "restricted military zones," and "still more serious, they were not permitted to participate in the identification of the dead or in the post mortems before the victims were buried," the document continues. Military judges were in charge of this task, it says, adding thata "the bodies were buried in secret, usurping civic powers." The government had promised that the bodies would be handed over to relatives.

The Andean Jurists Commission complains that "the civilian officials have thus been shunted aside, and our institutional structure, already weak, has received a serious blow." The commission further stresses that "not even the articles of the Geneva Convention on armed conflicts have been applied."

The communique says that it hopes that no obstacles will be put in the way of the government investigation into the alleged "excesses" that occurred at Lurigancho. Garcia Sayan gave as his opinion that these events serve only subversion, because the legal order has been violated and the administration of justice has been further weakened.

Regarding the summary executions said to have occurred at Lurigancho, Garcia Sayan said that hostages held by the inmates and then released by the rioters had seen some of them alive, but later there were no survivors. He admitted, however, that the demands of those charged with terrorism were made in response to "political dealings and there was a provocation on the part of the Shining Path to bring about the riots."

GUNMEN FIRE ON APRA LEADER'S HOME; 1 INJURED

PY261940 Paris AFP in Spanish 1808 GMT 26 Jun 86

[Text] Lima, 26 Jun (AFP) -- The police have reported that early this morning four alleged extremists opened fire on the residence of Senator Armando Villanueva del Campo and that a passer-by was wounded in the shootout that ensued with the influential poltician's security guards.

The unidentified individuals fired at the residence of the senator, who is also the secretary general of the ruling American Popular Revolutionary Alliance [APRA], from a nearby sheltered area, but when the senator's guards repelled their attack they fled. The residence is located in the residential neighborhood Chacarilla del Estanque.

A stray bullet seriously injured Cesar Augusto Venegas, who had to be taken to the San Antonio Hospital. A large police patrol was sent to the senator's residence, but Senator Villanueva was not at home at the time of the attack.

The Antiterrorist Directorate has reported that two of the people who attacked four news agencies, including AFP, on 23 Jun were arrested yesterday in El Augustino, a Lima district. The arrested people, who are members of the Tupac Amaru Revolutionary Movement (MRTA), were found to be in possession of 20 revolvers, 3 submachine guns, and a great deal of subversive propaganda, the police reported without giving the extremists' names.

Cerro de Pasco, a city 317 km southeast of Lima, is without water or power because the water processing plant on San Juan River 12 km from the city, has been blown up with dynamite.

In Puno, 1,300 km southeast of Lima, several bombas last night severly damaged the facilities of three government organizations.

Two children playing with a powerful explosive device, made up of four dynamite sticks and a timer, in the living room of their home in Chosica, a district 30 km southeast of Lima, were saved by their mother by sheer chance. Mrs Teresa Mendiola, who found her children playing with the explosive device, called the police, and a bomb squad carefully defused the explosive. The minors had found the bomb among the garbage near their residence.

NICARAGUA'S TINOCO ARRIVES, CRITICIZES CONTRA AID

FL270122 Mexico City NOTIMEX in Spanish 0045 GMT 27 Jun 86

[Text] Mexico City, 26 Jun (NOTIMEX) -- Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco, who arrived in Mexico City this afternoon on an official visit, called the U.S. aid to the Nicaraguan contras a criminal act since weapons are being given to assassins of peasants, women, and children. Upon approving the $110 million [as received] in aid to the Nicaraguan counterrevolution, he said, the U.S. Congress violated international law, since it is practically causing a war. Interviewed at the Mexico City Airport, the Nicaraguan official indicated that this financial support is also a slap in the face to Latin American because it attacks the democracy in the region. In view of the situation, said Tinoco, the Sandinist government has no alternative but to continue struggling and defeating the counterrevolutionary forces as well as working for peace in Central America to reach a peace agreement that truly respects the area countries as well as others.

The deputy minister stressed that now, more than ever in his country, as in Guatemala, constructive and positive responses have been made so that the Contadora act can be signed while the United States, Costa Rica, El Salvador, and Honduras Block the process.

In reference to a Central American parliament, Tinoco said that legislative instrument will never replace Contadora because that peaceful organization is the effort of Latin America and the parliament would be composed solely of Central Americans, and we would not be able to understand each other because the United States influences Costa Rica, El Salvador, and Honduras so that there can never be a regional agreement. He denied that Contadora has lost its strength and maintained that now, more than ever, this organization is at one of its strongest moments since all of Latin America is involved in the peace effort through the Support Group.

Nevertheless, Tinoco said peace in Central America is very distant and many more months of conflict will pass before an agreement can be reached between the countries involved in the Central American problem and the countries with definite interests in the area. Later during the interview, the Sandinist government official denied that Nicaragua is a communist or socialist country and he clarified that it is a country with a revolution and a pluralist ideology struggling for the well-being of its people. We have demonstrated this to everyone with the realization of periodic elections, he said. Tinoco stressed that neither the people nor the Nicaraguan Government are interested in exporting the the revolution to other Latin American countries since its revolutionary movement was a product of a very particular domestic situation. Tinoco will meet with Foreign Secretariat authorities to discuss the future of the Central American regional peace efforts.

SEPULVEDA ON POSSIBLE REAGAN-DE LA MADRID TALKS

FL261929 Mexico City NOTIMEX in Spanish 1830 GMT 26 Jun 86

[By correspondent Roberto Gonazlez Perez]

[Text] New York, 26 Jun (NOTIMEX) -- Foreign Secretary Bernardo Sepulveda Amor said this morning it is possible that President Ronald Reagan might extend an invitation to President Miguel de la Madrid to visit the United States but that the announcement has not yet been made through diplomatic channels.

Sepulveda has asked here about a report published today by THE NEW YORK TIMES, stating that White House officials had mentioned that President Reagan is planning to invite his Mexican counterpart to a meeting in California before 15 August. I believe that many days still remain, the Mexican foreign secretary said, adding that he had nothing else to say at this time. Sepulveda Amor traveled this morning to Washington, accompanied by the Contadora Group foreign ministers, and will return to Mexico City tomorrow morning.

GOVERNMENT TO SUBMIT PROGRAM TO CREDITOR BANKS

FL261848 Mexico City NOTIMEX in Spanish 1655 GMT 26 Jun 86

[Text] Mexico City, 26 Jun (NOTIMEX) -- Today the Mexican Government will submit a support and growth program for the payment of its foreign debt to the international financial community. The program seeks longer terms for its debt service payments, lower interest rates, and a request for payment of part of its debt in pesos through the capitalization of liabilities. This was announced by Finance Secretary Gustavo Petricioli, who is already in Washington, United States, to meet with President of the Federal Reserve Bank Paul Volcker, Treasury Secretary James Baker, and IMF Managing director Jacques de Larosifre.

The program's main points are aimed at assuring growth of the Mexican economy of at least 3 to 4 percent in the next 2 years inasmuch as it is impossible to restrain it further without serious social consequences.

This will avoid the possibility of having to use Mexican foreign currency reserves. The exact cost of the foreign debt renegotiation -- which amounts to around $98 billion -- will be announced. Creditor concessions in the payment of services will be requested. There will be an attempt to maintain current rates of imports to avoid paralyzing production.

Petricioli explained that international banks will be informed about the real situation the Mexican economy is facing. Domestic efforts will be underscored as well as the need to obtain foreign financial support. The program was approved by President Miguel de la Madrid and submitted to the economic cabinet. It will allow the country to obtain necessary resources to deal with its commitments with creditors.

The Mexican delegation, which will negotiate with international banks, is composed of Finance Secretary Gustavo Petricioli, Planning and Budget Secretariat Planning and Budget Control Under Secretary Pedro Aspe, Bank of Mexico International Organizations and agreements Director Ariel Buira, Finance Advisers Coordinator Jaime Serra Puche, Finance Under Secretary Francisco Suarez Davila, and Finance Secretariat Credit director General Jose Angel Gurria.

BILATERAL TRADE WITH GUATEMALA TO INCREASE

FL261446 Mexico City NOTIMEX in Spanish 0050 GMT 26 Jun 86

[Text] Guatemala City, 25 Jun (NOTIMEX) -- The presidents of Mexico and Guatemala, Miguel de la Madrid and Vinicio Cerezo Arevalo, respectively, will reactivate bilateral trade, reach concrete agreement on the export and import of Guatemalan products, and sign cooperation agreements during their first meeting on Mexican soil in early July.

In commenting on the coming visit to Mexico of chief executive Vinicio Cerezo Arevalo, an official of the Mexican Embassy here said that trade between the two countries is at one of its lowest level, which is a reason for concern on both sides of the border.

The diplomat expressed the opinion that the phenomenon of trade concentration on the one hand and the drop in the volume of transactions on the other reflect the fact that the mechanisms of commercial cooperation have not been efficient enough to encourage trade that should be natural between two neighboring and similar nations such as Guatemala and Mexico. Because of this, he stressed the urgency of active agreement being reached by the two countries to encourage the development of trade.

The stay in Mexico of President Cerezo Arevalo and most of the members of his Cabinet will make it possible to draw up and sign various bilateral initiatives such as lines of credit for financing exports and imports on a priority basis.

The Secretariat of Finance has stated the advisability of establishing a coinvestment fund. This agreement will also include the need to identify projects for the utilization of funds from the San Jose Agreement and the creation of a working group to follow up on financial and other matters. This framework agreement will later serve as the basis for a new meeting of the high-level working group, to be held in Guatemala.

The Guatemalan delegation will sign a protocol on social security matters with the Mexican Social Security Institute, and a technical cooperation agreement between the Guatemalan Ministry of Planning and the Mexican Secretariat of Planning and Budget. It will also sign an intersectorial economic cooperation agreement for the supply, acquisition, and marketing of school supplies between the national company for basic commodities-Disconsa [not further identified] and the Guatemalan Ministry of Education.

SOVIET ENVOY DISCUSSES DISARMAMENT PROPOSALS

FL250334 Mexico City NOTIMEX in Spanish 2315 GMT 24 Jun 86

[Text] Mexico City, 24 Jun (NOTIMEX) -- To prevent the danger of the United States breaking the military balance, Soviet Ambassador to Mexico Rostislav Aleksandrovich Sergeyev has said the Soviet Union's new proposal to the United States is called space for peaceful purposes [galaxias para la paz].

Interviewed during a ceremony commemorating the 46th anniversary of the Soviet victory over the Nazi-fascist forces, the diplomat said the danger created to peace by the policies of aggressive circles is not inevitable which is why it is necessary to present the United States with new proposals.

In reference to three recent proposals made to the United States which have not yet received a favorable response, Sergeyev stressed that they asked for the prohibition of nuclear weapons, measures to prevent nuclear accidents, and the creation of the space for peaceful purposes program to avoid another war.

The Soviet ambassador emphasized that the socialist society does not need foreign territories or resources, and this is another indication that the Soviets are in favor of peace.

On another topic, Sergeyev said the USSR agrees with the fundamental demands of the Group of Six which were expressed in the New Delhi Pact. Even though there are differences, he said, the Soviet Union generally agrees with the main points.

In reference to the pressure the United States is directing to other countries, Sergeyev said his country is against intervention in other territories and has absolute respect for the self-determination of the peoples.

BRIEFS

DRUGS SEIZED, CUBANS DETAINED -- The attorney general's office has reported that the Mexican military and judicial authorities seized approximately 6 tons of cocaine in operations conducted throughout the country during the last 18 months. This office asserted threat most of the drug was transported by air from Colombia, although it has also been transported by sea for its eventual sale in the United States. [Excerpt] Mexico City NOTIMEX in Spanish 0355 GMT 25 Jun 86 FL] In line with the permanent anti-drug campaign, Mexican authorities have detained in Isla Mujeres -- in the Mexican Caribbean -- nine cubans on suspicion of drug smuggling and have confiscated 356 kg of cocaine in the central state of San Luis Potosi. Arsenio and Albert Morales, Ruben Troche, Herminio Sanchez, and Ruperto Almanza, who are Cubans residing in the United States, were arrested along with four other men whose names were not released. [Excerpts] [Mexico City NOTIMEX in Spanish 0040 GMT 25 Jun 86 FL]

PRESIDENT CRITICIZES CONTRA AID APPROVAL

PA270306 Paris AFP in Spanish 2159 GMT 26 Jun 86

[Text] Panama City, 26 Jun (AFP) -- Today President Eric Delvalle criticized the U.S. Congress' approval of the $100 million for the Nicaraguan contras by saying that such a decision "imminently endangers peace in Central America."

Delvalle said that the Contadora Group, formed by Panama, Mexico, Colombia, and Venezuela, believes that the only possible way to achieve peace in Central America is by means of dialogue, understanding, and the overcoming of conflicts.

During the inauguration of a highway and a Bailey-type bridge built by Panamanian military men and by military men who are part of the U.S. Army reserve on the Panamanian northern coast, the president stressed: "Panama believes that those goals can be attained." However, Delvalle said that the U.S. congressional attitude could really "accelerate" the solution that Contadora represents, in view of the imminent danger represented by the approval of the $100 million for the contras in Central America. [sentence as received]

In addition, today President Delvalle made comments regarding recent press publications of statements made by ultraconservative U.S. Senator Jesse Helms. Delvalle said that through its diplomats, and through notes sent to all the Latin American governments, Panama will report the existence of a "deranged" senator who is hinting at the possibility that the United States will not fulfill the 1977 Canal treaties, through which the country should completely turn over the Panama Canal to Panamanian hands by the year 2000.

In an impromptu statement granted to foreign correspondents, Delvalle stressed that: "We will warn all Latin American presidents: Panama is already on the alert." Standing beside General Manuel Antonio Noriega, the commander in chief of the Panamanian Defense Forces, Delvalle said: "We will never allow an action such as the one hinted at by Mr Helms."

According to the Panamanian Government, in the last few days, Noriega, Panama's strong man, has been the victim of an "international campaign" of slander. The campaign was started by U.S. media with the intention of "destabilizing" the Panamanian Government.

Today at noon Gen Noriega inaugurated the highway built in the framework of military engineering exercises carried out between Panama and the United States on the Panamanian northern coast, near the area of the Panama Canal.

FOREIGN OFFICIALS INVESTIGATING PIA VESTA

PA252007 Panama City LA ESTRELLA DE PANAMA in Spanish 25 Jun 86 p a1, a10

[Text] Members of the Peruvian Investigations Police, Salvadoran intelligence, and Interpol will investigate the shipment of weapons seized by Panamanian naval authorities aboard the Danish-flag vessel Pia Vesta.

The members of these organizations, who have been officially appointed by their governments, arrived in Panama City to begin their investigation of the seized materiel and its destination.

The arms shipment Panamanian naval authorities found inside the Danish vessel Pia Vesta consisted of 200 tons of materiel, including trucks, missile launchers, and enough sophisticated artifacts to spark terrorism in any nation in the world. The authorities from Peru, El Salvador, and Interpol have come to analyze confidential documents in possession of Panamanian security organizations.

The Pia Vesta was detained a few days ago after intelligence offices from the Peruvian Presidential House tipped off Panamanian naval authorities.

BRIEFS

NEW AMBASSADORS PRESENT CREDENTIALS -- New ambassadors from Mexico, Carlos Planck Hinojosa; Haiti, Louis Lafontaine; and Spain, Tomas Lozano Escribano, have presented their credentials to President Eric Arturo Delvalle. Foreign Minister Jorge Abadia Arias was present at the ceremony held on the occasion. [Summary] [Panama City CRITICA in Spanish 23 Jun 86 p 24 PA]

COSTA RICA

OFFICIALS VIEW U.S. MOVE FOR C.A., CONTRA AID

Arias 'Happy'

PA270205 San Jose Radio Reloj in Spanish 0100 GMT 27 Jun 86

[Text] Costa Rican President Oscar Arias has said he is happy over the House of Representatives' determination to give economic aid to Central American nations and military aid to Nicaraguan counterrevolutionaries.

As for the aid for the contras, he said he would rather wait for more information in order to determine the nature of this aid. He recalled that some resolutions are still to be voted. He said he did not have information on the amount and destination of the economic aid that the United States would deliver to Central America and its military aid for the contras in Nicaragua. He pointed out that it will have to be determined whether such amounts will take the form of loose credits that can be used by the government at will or if this amount can be used to strengthen the balance of payments. Another possibility is that such resources can be used as determined by the U.S. Congress. Such aspects and the voting in the Senate will have to be considered prior to any opinion, Dr Arias said.

Madrigal Favors Negotiations

PA261631 Panama City ACAN in Spanish 1600 GMT 26 Jun 86

[Text] San Jose, 26 Jun (ACAN-EFE) -- Costa Rican Foreign Minister Rodrigo Madrigal Nieto said today that the $100 million which the U.S. Congress approved yesterday for Nicaraguan contras "does not change" the Central American situation very much. The official said that in some form this aid was already being given to the anti-Sandinist rebels, but that now "we are forced to redouble efforts to prevent military solutions prevailing over the political efforts." The Costa Rican foreign minister made this statement minutes before leaving for Guatemala where the Central American vice presidents will meet today to study the creation of the Central American parliament. "We will continue to carry out efforts to achieve a negotiation that will permit democratic progress in Central America," Madrigal Nieto added. The foreign minister said that Costa Rica has reiterated in all international forums that "fraternal pressure" must be exerted on Nicaragua so that "it will allow peaceful coexistence within the process of regional democratization" in Central America. "We hope," he added, "that Nicaragua will heed our requests and those of the Contadora Group (Mexico, Panama, Venezuela, and Colombia) to open up a little to find a formula of understanding that will enable us to peacefully coexist."

GUATEMALA

ECONOMY MINISTER COMMENTS ON NICARAGUAN DEBT

PA260502 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 25 Jun 86

[Text] Economics Minister Lizardo Sosa has said that it would be illusory to believe that Nicaragua will pay its debt of 190 million Central American pesos or dollars [as heard] to Guatemala in 1986. However, feasible mechanisms will be used so that the debt decreases, and then Nicaragua can get out of it. The government has said that Guatemala is doing everything possible and will be able to pay its debt to Costa Rica, and it expects that debtor countries will also seek the way to pay, which may include previously agreed-upon amortizations.

HONDURAS

OFFICIALS VIEW HOUSE APPROVAL OF CONTRA AID

PA261721 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 26 Jun 86

[Text] Regarding this report -- the hottest report in the international arena -- on the U.S. $100-million aid for the Nicaraguan contras, we consulted Congress President Carlos Montoya. Here is a report by Julio Armando Valdes:

[Begin recording] [Montoya] I have said that Washington [words indistinct] border with Nicaragua and that regardless of the approval of those funds, we are facing a very important conflict. It is my view that support for the Nicaraguan insurgents was evident and I believe that this will allow us to watch them leave Honduras so that they can fight for their ideals in their homeland.

[Valdes] Will the national congress now ask the Armed Forces to enforce a respect for our national sovereignty [words indistinct]?

[Montoya] It is already a duty stated in the Constitution. The Armed Forces must defend the country's sovereignty, integrity, and security. I think that they are fulfilling this mission carefully and dutifully. I have had the chance to talk with the top leaders of the Armed Forces on various occasions when government officials expressed concern over what would happen if the so-called Nicaraguan counterrevolutionaries were denied the financial assistance. We worried about the effect that this could have on our country. It is truly difficult for Honduras because Honduras is fighting to preserve (?its peace) [words indistinct] it is increasingly subjected to pressures from all the sectors that are involved in the struggle, which I would call the sociopolitical and economic struggle of the region. I hope that the congressional decision will guarantee these groups' exit from and absence in the country.

[Valdes] [Question indistinct]

[Montoya] [words indistinct] Nicaragua. We have nothing to do in those conflicts. It is for the Nicaraguan people to [words indistinct] ideological [words indistinct].

[Valdes] But does this attitude affect our country's security?

[Montoya] On the contrary, I feel that if those people would have been left without economic support that could have resulted in an enormous conflict for the region.

[Valdes] [Question indistinct]

[Montoya] Evidently, there is a struggle underway in Nicaragua. I think that the approval of this $100 million has certain conditions. It is conditioned upon a period in which the forces in conflict are urged to reach a political agreement. We all want a political agreement in Central America and its verification and implementation. This is a way to exert pressure on the Nicaraguan regime. One must see it this way. The Nicaraguan regime takes a pro-Soviet line and, consequently, it opposes the people who do not agree with that system. This has happened throughout the world. Wherever there is a regime of a certain ideology, it meets an opposition. The East-West confrontation is present in the region.

Therefore, unfortunately, these are realities. They are facts that can be confirmed. Regardless of any personal views, these problems exist and we must seek the best solution for Honduras. We do not want to become involved in (?a military) escalation. Therefore, its struggle must be waged.... [changes thought] Well, let's hope that this will lead to an internal agreement in Nicaragua among all the sectors in order to democratize that process with the support of all Nicaraguans. We honestly wish that no more shots be heard in Central America. Unfortunately, wishes are not realities. [end recording]

We also consulted Enrique Aguilar Paz, leader of the Innovation and Unity Party, regarding this approval of the aid to the contras. Let us listen to Aguilar Paz' view on this contra aid. These remarks were obtained by Javier Gabimo Villalobos.

[Begin recording] [Aguilar Paz] I think that the congressmen who voted in favor of that have a great responsibility because, indirectly, they are promoting war in the region. Precisely now, at this moment, we are discussing one of the many implications of this U.S. policy because it is making Honduras a victim. One example of this is the problem of the refugees. We have approximately 50,000 registered refugees, but there are more than 200,000 who have not registered and they are already causing serious problems. The fact that Honduras is located in a war zone, prevents the investment of foreign captials in our country. This also affects the flow of tourism into Honduras because it is felt that Honduras is involved in a war. Also our international image, unfortunately, is one that, whether we want it or not, shows us supporting a policy which we believe is not the most correct.

[Villalobos] This U.S. foreign policy on the one hand says it supports the Contadora Group, and on the other it supports the counterrevolutionaries. Do you view this in this way too?

[Aguilar Paz] We have stated this at the highest levels through a document. I believe that, undoubtedly, the U.S. foreign policy is that of playing a game with several plans. But this is obviously creating serious problems which will result in other problems. We have also said that another grave implication is that the fact that there is an army in Honduras which is not made up of Honduran soldiers, which can lead the country to a state of [word indistinct] which is also the case in the Middle East. Therefore, we believe that the big powers must respect principles of international law such as nonintervention in the domestic affairs of other countries, the respect for the people's self-determination, and the implementation of solidarity principles because [words indistinct] legal equality of the states and favor the development of these countries, but not through war. [end recording]

NICARAGUA

FURTHER RESPONSE TO HOUSE VOTE ON CONTRA AID

Ortega News Conference

PA261450 Managua Domestic Service in Spanish 1203 GMT 26 Jun 86

[News conference by President Daniel Ortega Saavedra with foreign correspondents in Managua on 25 June -- recorded]

[Text] [Unidentified moderator] There will now be a brief questions and answer session. We are now going to wait for....

[Unidentified reporter, interrupting] Have you thought of, shall we say, any risk which any U.S. military adviser with the contras may face?

[Ortega] We have said that this financing also implies that the mercentary forces will have direct military advice and training from U.S. military advisers. This means that the U.S. military advisers will face the same risks as the mercenary forces in Central America.

[Unidentified reporter] [Words indistinct] Regarding the military training of the EPS, the Nicaraguan forces, or the Sandinist forces, what does this mean now?

[Ortega] Well, we have never ignored battle readiness. What this means is that the country's defense plans have been right and on target. Now we have to strive harder to improve battle readiness considering we face direct intervention by U.S. troops.

[Yacuya] Pablo Yacuya, Sweden Radio. Commander, regarding the terms of the military agreements on arms reduction established by Contadora, will you review the sort of proposal you have made to Contadora, will you review the sort of proposal you have made to Contadora? Do you want to continue trying to reach a regional agreement on arms limitation without U.S. participation, despite the $110 million [aid to the contras]?

[Ortega] We have made specific proposals to Contadora and we will stay with them. It is clear that implementation and viability of the proposals depend on similar actions by the U.S. and Central American governments. In other words, Nicaragua will not unilaterally implement these proposals. Instead, these proposals have to be concurrently implemented with the other Central American governments and the U.S. Government too.

[Unidentified reporter] Mr President, any time the U.S. Congress takes action before Contadora arrives at a new decision, there is some sort of change, sometimes major, sometimes minor, in the Central American government's viewpoints. Do you feel that the decision adopted tonight in the United States will affect the decisions the Central American governments have made on the proposals already contained in the Contadora Document? If that is the case, what role will the Nicaraguan Government play?

[Ortega] The Central American governments want peace in Central America. They want peace in Central America. However, they are under U.S. pressure or blackmail. To date, Central American governments, such as the Salvadoran, Honduran, or even the Costa Rican Government, have been under serious pressures to adopt negative stances regarding the process of negotiations. In fact, now in an open way, the U.S. Government is going to distribute $65 million to each of these governments. (?This is) how it combines blackmial with a virtual payoff. They are being paid off. We do not lose hope that the Central American governments will act responsibly. They know full well that U.S. intervention in Nicaragua, that the increase of the U.S. presence against Nicaragua -- as in the transfer of U.S. advisers to train the mercenary forces -- and that the escalation of the conflict, affect all of Central America. Therefore, there is concern about that. We do not lose hope that the Central American rulers will firmly and, most of all, responsibly reject the U.S. policies of blackmail and truly seek peace in Central America.

[Unidentified reporter] Montreal's LE DEVOIR newspaper. You have talked about blocking the creation of an internal front. This is my question. Does this mean that the state of emergency will be reinforced in Nicaragua?

[Ortega] There is a state of emergency here, and the state of emergency will remain.

[Unidentified reporter] Commander Ortega, days before the voting [in the U.S. Congress], attacks by the Higher Council of Private Enterprise [COSEP] grew against the Nicaraguan Government. Likewise, some prominent figures went to the United States. Yesterday President Reagan quoted Cardinal Miguel Obando y Bravo and Msgr [Pablo Antonio] Vega to ask for aid to the counterrevolution. How do you feel about the active role Nicaraguans have played to obtain approval for the aid to the counterrevolution?

[Ortega] I think that it is very clear that the U.S. Government has been using some Nicaraguans to buttress its request to finance the mercenaries. So far, we have not heard these Nicaraguans disavowing President Ronald Reagan's use of their stances and their speeches here and in the United States; that is, the speeches these Nicaraguans have made here and in the United States. Therefore, I think that people like Cardinal Obando y Bravo and Bishop Vega will have to define themselves vis-a-vis the Nicaraguan people; or rather, they are defining themselves against the Nicaraguan people. People like the COSEP members are defining themselves more and more against the Nicaraguan people. The Nicaraguan people are clearly seeing what side those individuals are on -- either they are on the side of peace and the Nicaraguan people or on that of the U.S. terrorist policies. As of today, they have the opportunity and possibility to openly say what side they are on. They will have the opportunity to condemn the approved policies of financing the mercenary forces against the Nicaraguan people, or they will have the opportunity to keep silent as accomplices. Therefore, the people will be the best judge of their actions.

[Unidentified reporter] [Name indistinct] Of London's BBC. Will the decision by the U.S. Congress somehow affect Nicaragua's relationship with the United States?

[Ortega] Well, Nicaragua has insisted on trying to normalize its relationship with the United States. The relations have been deteriorating, or they have been affected. It is to be believed that following the approval of the $100 million aid the United States will take new steps and that this deterioration may lead to a break up of relations with Nicaragua.

[Lugo] Roberto Lugo of Cuban television. What do you feel is the status now of the Esquipulas document and the Contadora and Support Groups' actions? What is the status of all these (?actions)?

[Ortega] This is an attack against the peace effort of the Central Americans, the Esquipulas document, the Latin American peace effort, and the Contadora and Support Groups. As a matter of fact, there was a meeting of Central American vice presidents in Guatemala today. This has to worry the Central American governments. Either we act responsibly and refuse to let ourselves be dragged into a confrontation, which is what the United States wants, or -- as I said -- the situation will get worse and affect the entire region. The United States is striving to affect and destabilize the region. This (?surely) hits the Esquipulas efforts for a Central American dialogue, and the Contadora and Support Groups' peace proposal.

[Unidentified reporter] Edith [name indistinct] of Paris' LIBERATION. The Contadora and Esquipulas peace efforts seem to clash with the U.S. political commitment or Washington's decision [word indistinct]. What allies can Nicaragua seek, and what will its policy on this matter be?

[Ortega] The best allies of the Nicaragua people are the Nicaraguan people, the Latin American people, even the U.S. people, and the peoples of the world. We continue to defend the Nicaraguan revolution based on our own capabilities and resources. Of course, we count on the solidarity first of all from the Central American peoples, the Latin American peoples, and the world. Thank you.

Ortega Reads FSLN Communique

PA270438 Managua Domestic Service in Spanish 0000 GMT 27 Jun 86

[FSLN communique, read by Commander Daniel Ortega, coordinator of the FSLN Executive Commission, in Managua on 27 June -- live]

[Text] [Words indistinct] of the FSLN's National Directorate to the Nicaragua people. Nicaraguan brothers: All of Nicaragua and the world at large are already familiar with the new act of U.S. aggression that victimizes us.

The U.S. President has succeeded in tricking the feelings of the U.S. people and the international community involving the U.S. Congress into his criminal policy against Nicaragua. The approval of the $100 million to continue the now open war against the Nicaraguan people entails unpredictable consequences. This serious fact will not only inflict more deaths, destruction, and grief on our homeland, but signals the commitment of the U.S. Government branches in the aggression against Nicaragua. The way in which these millions in crime have been approved also means the direct and open commitments of all the Central American states to this policy of war, because the will of the other four Central American states has been offered to be purchased for $300 million.

The peace negotiation process that the Latin American countries carry out through the Contadora and Support Groups is being dealt a blow that purports to be deadly. The willingness for peace of the international community is being trampled on with impunity. The FSLN's National Directorate, echoing the response that the Nicaraguan people have begun to give to this new act of aggression in the feeling of the Sandinist militancy, addresses the whole nation to announce the following:

1. Since the very moment that the $100 million was approved, the National Directorate proceeded to meet with the FSLN's most important cadres stationed at the various governmental, political, military, and mass positions to update and outline the plans previously discussed and approved in case this new act of aggression should happen. It is clear that this act initiates an aggressive escalation that changes the domestic and international perspectives in which our revolution has evolved. This forces us to revise some of our policies so that the Nicaraguan people at large are in better shape to confront this new threat that they must face.

2. Nicaragua will appeal to the United Nations, the General Assembly, [words indistinct] the Contadora and Support Groups, the EEC, all forums and friends in the international community, as well as governments and political organizations and peoples of the world in order to report to them the new situation.

Our objective is to stop the escalating aggressions and seek the full solidarity that will allow Nicaragua to face this higher phase of aggressions in the best of conditions, and to allow the international community to stop this reemergence of fascism that is an effort to ignore juridical order and international law.

3. Internally, it is essential to increase and reinforce the security measures that will allow the country to defeat the terrorist plans to which President Reagan's mercenary forces will resort in response to the strategic defeat that are facing on a military level. The organized people must strengthen revolutionary vigilance, civil defense, and all of the political mechanisms that will prevent sabotage against the economy, against the country's infrastructure and the Nicaraguans' lives, and relentlessly destroy every effort the enemy makes.

4. This new situation demands the strictest implementation of the state of emergency, which, in an effort to contribute to internal and regional detente, has at times been applied with excessive flexibility. We cannot continue to allow turncoats to shamelessly continue being U.S. Government agents, justifying the aggression, undermining the people's defensive efforts, and providing "civic coverage" for the counterrevolutionary plans to destroy this revolution that has cost the Nicaraguan people blood, grief, sacrifice, and thousands of lives. There must be no hesitation to apply the law with all its force against those who -- satisfied for having contributed to opening this aggressive escalation -- now believe they can continue their criminal, antipatriotic, and antipopular activities.

5. We must ensure, with no excuses at all, the compliance of the quotas required by our Sandinist Army in the mobilization for the Patriotic Military Service and in preparation within the military reserve service and Sandinist People's Militia to reinforce the national defense plans approved by the revolutionary government. Only the accelerated development of the achievement of the military doctrine for the defense of the revolution will dissuade the direct invasion by U.S. troops, or destroy it should it happen.

6. The U.S. Administration has already left traces of deep repercussions in our economy. The aggressive escalation opened today will aim to disrupt even further our productive efforts and the supply of basic products to the people. Each workplace should be a combat trench. Each basic product we produce or import guarantees our subsistence to resist the aggression wih dignity. The limitations and self-imposed limitations [as heard] toward the challenges of a war economy should be faced with patriotic feeling and revolutionary spirit. Work, productivity, efficiency, savings, honesty, and responsibility in the productive workplaces and in the jobs for service and supply to the people cannot be left behind the good will of which a few indirect agents of the aggression evade -- the speculators. [sentence as heard] The lazy and inefficient still remain in our country. This is a requirement of the thinking people which the government, with its laws, and the power of the people, with the organized and belligerent masses, should accomplish.

7. The FSLN, along with all its members, must direct its actions following the example of our heroes and martyrs. The FSLN National Directorate will meet with the Sandinist Assembly starting Monday, 30 June, in order to review our actions and face the problems we have in the areas of material production and supply. The results we obtain in those meetings will be the weapons to guarantee that your work and labor will be the bulwark and the essence of the revolution and the homeland. All the members of the FSLN should be at the forefront of this battle. They will not make us bend our knees in hunger. Nicaragua wants peace, but not the humiliating peace which will result from imperialist blackmail.

The FSLN struggles for all the nation's unity, but the U.S. mercenaries and political agents are not part of that nation. Our people wish to have a better life, but they want bread with dignity. We want a free homeland, or death. Twenty-five years later, all arms against the agression.

[Signed] FSLN National Directorate

26 June 1986

Protest Note Sent to Shultz

PA270202 Managua International Service in Spanish 0035 GMT 26 Jun 86

[Foreign Ministry communique, issued in Managua on 26 June]

[Text] The Foreign Ministry's Information and Press Directorate states that:

On 25 June 1986 the Nicaraguan Government expressed its firm and strong protest over the approval by the House of Representatives of the U.S. Congress of new funds for the mercenary forces, as requested by President Reagan.

In a note addressed to U.S. Secretary of State George Shultz, acting Foreign Minister Javier Chamorro Mora reaffirmed that this decision again engages the U.S. Congress in a dangerous step, which cannot but lead to the prolongation and rapid deterioration of the Central American conflict, opening the doors to a spiral of violence that threatens to Vietnamize the crisis, affecting the security and stability of Central America, and even of all Latin America. The note added that providing the mercenary forces with new financial and military resources shows the U.S. Government's disdain for the Latin American efforts expressed through the Contadora and Support Groups. That decision clearly expresses a rejection of the proposals made in the Caraballeda message, the Punta del Este communique, and the Panama message issued only a few days ago, which state that no country should give military or logistical support to irregular forces.

The note states that the U.S. Government continues with its policy of using and threatening to use force as a recourse to impose its plans over the Central American peoples.

This policy contradicts the fundamental principles of internal law and the International Court of Justice's ruling of 10 May 1984. As long as the U.S. Government does not give up its arrogant and warmongering policy, it will not be possible to restore peace and confidence in Central America.

In view of these threats, Nicaragua reaffirms its legitimate and irrevocable right to defend itself from the criminal aggression it has been subject to, and ratifies its steadfast commitment with the dignified and just peace desired by the Central American peoples. An expression of this has been its positive and constructive reply to the Contadora Group's proposals made at the last meeting of 13 Latin American foreign ministers.

It is clear that the seriousness of this situation reinforces the Latin American position expressed in the Panama message on the need to create conditions to make the peace process feasible. On this basis, Nicaragua demands the U.S. Government take specific steps and actions that will contribute to create this climate.

The note concludes stating that in this regard, it is imperative and urgent that the U.S. Government stop its attacks against Nicaragua in all its forms, acceed to resume bilateral talks, stop its boycott against the Contadora Group, and act in accordance with international law and the current treaties, which are fundamental prerequisites for the restoration of real peace in Central America.

Managua, 26 June 1986

D'Escoto on Reinforcements

PA262249 Managua International Service in Spanish 2208 GMT 26 Jun 86

[Text] The U.S. Congress decision to continue to finance the Somozist mercenaries worsens the danger of a direct U.S. intervention in Nicaragua. This warning was made today by Foreign Minister Father Miguel D'Escoto to the London TV Station NBC [as heard].

The Nicaraguan diplomat also said that this circumstance forces the country to get military reinforcements to defend its sovereignty. The Nicaraguan Government will accept the aid of any country regardless of where it comes from, because like any other nation, it has the full right to protect the fatherland from any foreign aggresssion.

Ambassador on Military Needs

PA261457 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 26 Jun 86

[Text] Nicaraguan Ambassador to Honduras Danilo Abud Vivas said last night that his country will now turn to any nation of the world to obtain military aid. This was his reaction to the U.S. Congress' approval of $100 million in aid for the Nicaraguan counterrevolutionaries. In a dramatic tone, the Nicaraguan diplomat said that yesterday was a sad day for Latin America. Here are the remarks made by Ambassador Abud Vivas to journalist Jose Ochoa y Martinez last night immediately after learning of the congressional approval of the $100 million in aid for the contras:

[Begin recording] [Abud Vivas] [Words indistinct] a day of mourning for Latin American diplomacy. It is a day of mourning for Latin American solidarity because these new war funds are just a slap against the effort being carried out by eight Latin American countries that have been promoting dialogue and a peaceful solution to the Central American problems. They have also been trying to prevent the continuation of the illegal and immoral policy that the Reagan administration has been implementing against the Nicaraguan Government and people. This brings new tensions to the problems of the region. It turns into a reality what the Colombian foreign minister said once, when he said that if new funds were approved by the U.S. Congress and Administration, it would be a blow that would destroy the Latin American initiative and effort.

[Ochoa] Ambassador, what do you think your government and people will do?

[Abud Vivas] Well, our people will continue to close ranks to guarantee the defense of the revolution. This gives us the full sovereign right to seek armaments anywhere in the world to be ready to face and to defeat this covert war which is now practically a declared war by the Reagan administration against Nicaragua.

The Nicaraguan people are the ones who will give a reply to these millions which through some pitiful mercenaries -- I say pitiful because if it was not for that money they would not be fighting. They are bloodsuckers who are going after the dollars. That is what attracts them and keeps them alive, the same as many sectors in Central America that unfortunately support them and enrich themselves with the blood of the Nicaraguan people. [end recording]

The Nicaraguan ambassador said he is not surprised that the contras have heavy equipment:

[Begin recording] [Abud Vivas] That is why I am not surprised that it was approved that with the last $40 million the CIA can supply heavy weapons to the counterrevolution. I say that I am now surprised because it is no secret that at this time the counterrevolutionaries already have heavy long-range weapons which only regular armies in Central America possess. In other words, they already have long-range artillery. They have airplanes and helicopters. Therefore, this is just a political decision to support a policy that the Reagan administration has already been implementing. In no way does this mean changes or the introduction of new heavy weapons, because they are already held by an irregular group. Unfortunately, they are held by an irregular group that has a military capacity almost equal to the military capacity of, for example, the Honduran Army. Unfortunately, it is also an irregular force that uses territories bordering Nicaragua. It is not eben an irregular force that is inside Nicaragua. It does not control Nicaraguan territory. It cannot say that it is representative of the people.

[Ochoa] Ambassador, when you say that your people and government are willing to wage every battle and seek resources and armaments anywhere in the world to defend yourself from what you call the U.S. aggression, what role do you give to countries such as Libya, Cuba, the Soviet Union, the PRC, Iran, and the members of the Warsaw Pact?

[Abud Vivas] Well, we have diplomatic relations with almost all, if not all the countries of the world. This gives us the right to resort to any country and not only to the members of the Warsaw Pact, but also to the European countries if necessary. It all depends on those countries' willingness to give support to Nicaragua. The Nicaraguan Government and people have the sovereign right to resort to these sources of military resources in order to guarantee the defense of the revolution. [end recording]

INTERNATIONAL COURT RULES AGAINST U.S.

AU270944 Paris AFP in English 0941 GMT 27 Jun 86

[Text] The Hague, June 27 (AFP) -- The International Court of Justice found in favour of Nicaragua here Friday in the dispute between Managua and Washington over U.S. backing of anti-Sandinista rebels. Managua had accused Washington of carrying out military and paramilitary activities on its territory.

The court, by a large majority decided that the United States had violated the obligations imposed on it by international law in training, arming, equipping, financing and supplying the contra (anti-government) forces, and by assisting all other types of activities. Observers said that this will mark only a moral victory for Managua,as Washington has already said it did not recognise the court's jurisdiction in Central American affairs in general and Nicaragua in particular. However, a U.S. embassy representative was present at Friday's session, as was Nicaraguan Foreign Minister Miguel D'Escoto, who was due to fly direct to the United Nations in New York immediately after the judgment was issued.

CAPTURED CUBAN EXILES DISCUSS TRAINING BASES

PA260254 Managua International Service in Spanish 0000 GMT 26 Jun 86

[Text] According to statements in Managua today by Ubaldo Hernandez Perez, a Cuban exile, a farm called La Chalupa in Costa Rican territory and owned by Climaco Salazar is one of the training camps used by counterrevolutionaries. Some of the instructors are also Cuban exiles.

In his statements, the foreign counterrevolutionary said he was not even searched upon entering Costa Rica, where he arrived to join the criminal U.S. aggression against Nicaragua.

In addition, Mario Elpidio Rezaslava, another of the Cuban exiles presented in Managua today, said that Majors Brito and Arevalo and Lieutenant Castellon, among others, are the Salvadoran officials who serve as instructors for the mercenaries to attack Nicaragua. Rezaslava told local and international newspapers that their training base is located at Ilopango, the Salvadoran Air Force base. Rezaslava, a foreign counterrevolutionary, was presented by the Nicaraguan ministry after he was captured by the EPS in a Nicaraguan war zone.

'INDEFINITE CLOSING' OF LA PRENSA ORDERED

PA262340 Paris AFP in Spanish 2323 GMT 26 Jun 86

[Text] Managua, 26 Jun (AFP) -- The Sandinist government this afternoon ordered the "indefinite closing" of LA PRENSA, the only existing opposition newspaper in Nicaragua. This statement was made to AFP by one of LA PRENSA's publishers. Carlos Hollman, director of LA PRENSA, said that the order closing the newspaper was contained in a brief telegram from the Interior Ministry's Communications Media Directorate.

CORRECTION TO ORTEGA STATEMENT ON CONTRA AID

Following correction pertains to the item subheaded "Ortega Statement," published on pages P4-P7 of the 26 June Latin America DAILY REPORT:

Page P5, paragraph two, from line two reads ...ratified today will entail -- as it already entails -- more economic problems, more shortages, more needs, more sacrifices. However, the Nicaraguan ... (supplying indistinct words);

Page P5, paragraph three, from line one reads ...approval of this $110 million to finance the terrorist activities of the mercenary forces against the Nicaraguan people and this financing of an additional $302 million for... (rewording);

Same paragraph, from line six reads ...the future as new escalated actions, or a new military escalation by the U.S. Government against our country, an interventionist escalation which at... (supplying indistinct words, rewording);

Same paragraph, from penultimate line reads ...Vietnamization of the conflict and the intervention of the U.S. troops themselves in our country... (rewording);

Paragraph four, from line one reads ...Around the middle of last year, President Reagan's government was debating whether to approve millions of dollars for financing the mercenary forces under the pretext of humanitarian aid... (rewording);

Some paragraph, from line three reads ...the mercenary forces. In other words, they are approving the terrorist actions against the Nicaraguan people, and this logically encourages the U.S. Government to continue with its escalation against Nicaragua. That is where the risks lie, because we are sure that with $110 million or with $1 billion -- as we have said -- the mercenary forces will not bring about the defeat of the Nicaraguan revolution. They will continue with their terrorist actions. This will demand more sacrifices from the Nicaraguan people, but they will not defeat the Nicaraguan revolution.... (supplying indistinct words, rewording);

Paragraph five, from line one reads ...However, on the other hand, the U.S. Government is demonstrating in the United States that its policy, its warmongering policy, is still in effect. Even though a policy of negotiation has been demanded, the U.S. Government imposes a warmongering policy, maintains a warmongering policy, and it manages to sway the House of Representatives' vote. Today there were 212, 212 [Ortega repeats] representatives who have voted... excuse me, 221, 221 [Ortega repeats] representatives who have voted in... (supplying indistinct words, rewording);

Same paragraph, from line seven reads ...but after all, they have approved it, and they are supporting his terrorist policy. Reagan's policy is dragging the U.S. Congress, dragging it toward the Vietnamization of Central America, dragging it to a military intervention in Nicaragua... (rewording);

Paragraph six, from line one reads ...It distributes $75 million to each government -- to each Central American government, excluding Nicaragua, of course -- for what? To see how it can commit, in other words buy -- literally buy, let us say it, shamelessly and openly, buy -- the governments in order to involve them in its terrorist policy of... (supplying indistinct words, rewording);

Paragraph eight, from line one reads ...Thus, this is a blow against Contadora, it is a very serious blow against Contadora. Every time that Contadora presents constructive proposals and initiatives, the U.S. Government has typically responded with destructive positions. It responds with actions destabilizing the Contadora negotiating process. Now,... (supplying indistinct words, rewording)

Same paragraph, from line three thru page P6, line two reads ...the Central American region that Nicaragua has considered as a valid proposal, a constructive proposal. Nicaragua has accepted this proposal. The United States then decided to insist on its terrorist policy, to request the financing of the mercenary forces... (supplying indistinct words, rewording);

Page P6, paragraph one, from line three thru paragraph two, last line reads ...peace of the Latin American people and of the Central American people who want peace.

In this manner, the U.S. Government is also responding to the orders of the International Court of Justice, which ordered adherence to precautionary measures concerning the U.S. aggressive policy against Nicaragua. The United States rejected that order. Being aware that on 27 June -- that is, 2 days from now -- the Court will issue a ruling, the United States shows contempt for the laws. Just 2 days before the court issues a ruling, the United States decides to approve the financing of the mercenary forces. In other words, the United States decides to approve a terrorist policy that is absolutely contrary to the decision that the court has already issued, even though the ruling will be learned within the next few days... (supplying indistinct words, rewording);

Paragraph three, from line three reads... terrorist policy which means murdering women, children, the Nicaraguan people. by imposing his will over international opinion, over the U.S... (supplying indistinct words, rewording);

Paragraph five, from line four thru paragraph six, line one reads... will not accept the blackmail involved in certain conditions expressed in the U.S. Government's cynical proposal to finance the mercenary forces. According to this proposal, there is supposedly always space for negotiations. The claim that they are even going to allot $2 million... (supplying indistinct words, rewording);

Paragraph six, from line three reads... to attend the negotiating meeting of the Contadora Group. It is a truly cynical proposal. It is cynical. It is a proposal that mocks the Latin American negotiating effort and that of the Central American people... (supplying indistinct words, rewording);

Paragraph seven, from line two reads... intimidated by this terrorist policy today endorsed... (supplying indistinct word);

Paragraph eight, from line one reads... favor of peace, it is true, but we are determined... (supplying indistinct words, changing punctuation);

Page P 7, paragraph one, from line one reads... us with its instruments of terror which are the mercenary forces. Nicaragua is not talking with the U.S. Government's instrument of terror -- the mercenary forces. We are confident... (supplying indistinct words, changing punctuation);

Same paragraph, from line nine thru paragraph two, line three reads... after this U.S. Congressional approval of the financing of the mercenary forces.

We tell the Nicaraguan people that we are not surprised by this. This only unmasks the terrorist policy of the U.S. Government, which supposedly did not involve the approval for the financing of the mercenary forces, but the fact is that the U.S. Government... (supplying indistinct words, rewording);

Paragraph three, from line four reads ...we defeat this terrorist policy. We are certain... (supplying indistinct word, rewording).

CASTRO ON ENTERPRISE MANAGEMENT PROBLEMS

FL260324 Havana Television Service in Spanish 0000 GMT 26 Jun 86

[Statements by President Fidel Castro at 25 June assessment meeting on enterprise management held in Havana's Karl Marx Theater -- recorded]

[Excerpts] [Unidentified reporter] With the presence of Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communit Party of Cuba and president of the Councils of State and Ministers, the assessment meeting on enterprise management has begun in the Havana City Karl Marx Theater.

More than 3,000 representatives and approximately 900 Havana enterprises are involved in this analysis based on the principle defined by Fidel that problems need to be solved with morale, honor, and principles.

The basic topic is the best use of human resources and the social-economic phenomenon resulting from exaggerated salaries without increased production. Each vital statement made is an object of analysis for the chief of the revolution.

[Castro] When a jobless worker is on the payroll [cuando declaran interupto un trabajador], is he paid in accordance to a basic salary or is he paid in accordance with those incredible salaries?

[Unidentified speaker] It is true that the jobless worker is not paid on a basic salary. It is not based on the established...

[Castro, interrupting] It is not based on the average [salary]?

[Speaker] No, it is not based on the average salary.

[Castro] Is it based on accomplishment?

[Speaker] No, not on accomplishment. These are the deficiencies that were detected during the inspection. When the inspection was made in the shipyard, more than 3,000 violations were detected.

[Reporter] Fidel reiterated the essential need for microbrigades. During his last speeches, he expressed his concern over the distortion [desnaturalizacion] this popular mechanism has had on constructing homes.

[Speaker] When a fishing ship was deactivated -- it was purchased by a Caribbean shipping company -- all those jobless workers remained on the enterprise's payroll.

[Castro] How many workers are in this situation?

[Speaker] Approximately 346 workers.

[Castro] If they were in a microbrigade they could at least be building homes.

[Speaker] Commander, What you just said would be possible because they are comrades who could be building their homes and social structures for the population.

[Castro] But not homes for themselves because you did say their homes. That is another distortion of a concept. The homes are for those who most need and deserve them in a work center, which is not the same. [applause]

[Reporter] The slow process of completing economic and social structures, which seems to be interminable, was discussed by Fidel using obvious examples such as the Boyeros electrical industry project which was begun several years ago and whose termination date is still not known.

[Castro] I ask about this construction, not because I want to blame anyone in particular, but because of things that occur that are regrettable and should be corrected. This vice of which we speak developed little by little. It was not like this at one time. At one time, when an enterprise was begun, it was completely finished.

There are planning problems, absurd, ridiculous, crazy concepts. One that I have mentioned several times is a 100,000 peso investment. There were four holes and four columns and they [not further identified] went elsewhere. It is a crazy way to act.

I am precisely...[changes thought] I believe that since we are discussing distinct problems, and there are many, not just these alone, it is not just a salary problem or another kind of problem, but it seems a truly crazy thing to acquire a plant and spend 21 years constructing it. Someone has to be responsible for this crazy act or for the conceptions that are responsible for that craziness and we have to correct this.

There was a time in this country when construction was begun and completed in a reasonable length of time. Now we are in a situation where we begin and do not complete construction. There are many open construction sites for whatever reason. We resign ourselves. We adapt to the calamity of taking 10, 15, 20 years to complete construction. At one time I remember vocational schools were made in 2 years or 1 and 1/2 years. A basic secondary school was begun and some were completed in 4 months while others were completed in 5 or 6 months. The average length of time was 6 months, and hundreds of these types of installations were constructed.

Dams were begun and completed. That is how the (SASA) dam was built. Its wall is 10,000 cubic meters and it was done in a record time of 2 or 3 years. There was a time when we began and finished dams, roads, everything.

On the other had, I asked about the Guantanamo vocational school the other day, and I was told that so much remained. The Guantanamo vocational school has been under construction for seven years. I asked how much more was needed for its completion and I was told so many millions [currency not specified], something like 3 million. I asked how much was budgeted and the response was 500,000. It will take 6 more years to complete. I estimate that it will take 13 years to complete the vocational school that years ago could have been built [in less time].

We must study the causes, origins, and factors that determined all that stupidity, that concept that has prevailed during the past few years. Since it seems to be important and serious, I am bringing attention to it here. I am not trying to blame Comrade Raul Cabrera, who is a new minister in construction, but rather the phenomenon of concepts, of vices that have been established and with which we have become resigned.

This is why I mention this case. It is a very painful example because when the factory is completed, the equipment will be obsolete. This has happened with several things. There is a serious planning problem which is bad, critical.

On the other hand we find enterprises who sell resources. This is another problem that could occur here.

[Reporter] At the end of this report, we received news of the agreement reached by the more than 3,000 delegates attending the analysis meeting on enterprise management at the Karl Marx Theater. It was decided to reestablish microbrigades in the two Havana provinces using the original concept.

Further Castro Remarks

FL261924 Havana Television Service in Spanish 1700 GMT 26 Jun 86

[Text] Today's meeting began with a wide-ranging debate on the original conception of the country's investment process, its necessary planning, and all the aspects ranging from equipment, construction, and assembly, and the training of the workforce so every investment project that is initiated will have a well defined program that concludes with its starting to operate with the required quality.

[Begin first unidentified technician recording] Recently, during this year, an Italian machine was imported to produce two-colored soles to guarantee the quality and the manufacture of cloth sport shoes. From 1985 on it was the job of the party to determine where the machine had entered the country. The plan provided for one-half million pairs of soles for two enterprises, one in the city of Havana and another inland. In short, after we managed to locate the machine, transfer it to the factory, install it, and get the Italian technician, today we still do not have a single pair of shoes with two-color soles. [end recording]

[Begin second unidentified technician recording] When we start to analyze, there are so many problems that can be justified in one way or another. The investment project of Ariguanabo has lasted 17 years, which is a difficult situation...

[Castro, interrupting] How much has yet to be done on the investment?

[Second technician] The investment began with 41 million pesos in 1970, with a view to completing it in 5 years. Then it was reprogrammed...

[Castro, interrupting] There was the problem of the air conditioning, the new equipment, the structures that were put up. And what still has to be done?

[Second technician] The new dry-cleaning plant still has to be built.

[Castro] The what?

[Second technician] The new dry-cleaning plant, which is being built in the rear of the factory, which is still in the beginning phase, and the dry-cleaning machinery has been here since 1970. It was here at the time of Hurricane Freddy, when the factory was flooded, and it got flooded, also. It is being installed now with Soviet assistance.

[Castro] And the machinery still exists despite all those calamities?

[Second technician] Yes, it is all there.

[Castro] When did they begin to build that dry-cleaning plant?

[Second Technician] They have been working on it since 1976, when construction work began, and it has not been finished yet.

[Castro] What brigade is building it?

[Second Technician] Brigade No 36.

[Castro] Is Brigade No 36 here?

[Second Technician] Yes, it is here.

[Castro] Later we will ask them to hear what they have to say.

[Second Technician] Commander, we want to say that this investment began with 45 million in ...

[Castro, interrupting] How much has been invested so far?

[Second Technician] About 73 million, and 60 million have been spent on the installation to date. At the present rate ...

[Castro, interrupting] You have 13 million to spend. How much is budgeted?

[Second Technician] Four million for this year.

[Castro] If 13 were lacking and they have assigned you 3 million, you still have hopes of finishing up in 4 years.

[Second Technician] In 4 or 5 years. But after the money is assigned, the building is 14 percent completed [as heard]. At the present time, with the brigade being assigned to work elsewhere on priority projects, it will take us another 11 years to finish the factory.

[Unidentified party official] I remember that we discussed this in the party provincial committee, not only the textile factory of Ariguanabo but another factory. We agreed on the need to concentrate resources to finish construction projects and put them to use, because we spend 20 years building and get no use from the project. To cite a positive example in construction, I believe that the (Bioterio) is a good example. You yourselves have seen it. The (Bioterio) is a complex project that has been built in sections. There is a part of (Bioterio) that is a center that produces laboratory animals and is functioning. I believe we should build that way, putting into use the parts that are completed. I believe that when we build factories like Spanish 2, in Nueva Paz, where investors, builders, suppliers, the party, everyone joined together and made a great effort and dedicated the resources, a factory was built with the plans and equipment made in Cuba, and a month before it was completed the factory was producing, and it was all done in 15 months. This is an example of efficiency! [applause] [end recording]

Roberto Veiga, Politburo member and secretary general of the Central Organization of Cuba Trade Unions, spoke today on the concept of the integral work brigades as an organization link in the production process.

[Begin Veiga recording] If the norms are not updated and the adjustment made with the brigade is based on old norms, we are giving away money and working in a poor fashion. A good idea can be deformed by all the deficiencies we have. We have been unable to stimulate conservation or quality of work of the integral work brigades. We could say that we pay for conserving and quality but this new type of work organization has not been as influential as we wanted it to be in furthering conservation and quality of work of the integral work brigades. We could say that we pay for conserving and quality but this new type of work organization has not been as influential as we wanted it to be in furthering conservation and quality. Why? Because we do not have consumption norms, and a good job cannot be done in the struggle for conservation without consumption norms.

On the issue of quality control, we do not have quality norms, quality control in all those brigades, which I see as the future of the labor organization in the country. A number of problems need to be solved first. I believe it was wise to be cautious in organizing permanent integral brigades, because if we had jumped into creating them because of the advantages this system offers, now we would have been doing a critical and self-critical analysis of the indiscriminate application of that initiative.

In my opinion, it is a great country but to develop it we have to solve a large number of problems that are directly related to organization, production control, and greater demands. This is my opinion. [applause] [end recording]

Regarding the difficulties and deficiencies in the investment process, our commander in chief said:

[Begin Castro recording] The problem dealing with unfinished projects has a logical explanation. If none of them is planned to be completed, if none of them is completed, more and more projects would hve to be under way because an important, pressing, priority need comes up. It is a matter of planning. This evil has arisen here in the last 10 years. That is truth. Before that, projects were created and completed.

Yesterday I was talking about many old factories -- I gave two examples: [word indistinct] and wrought iron built over there in Guantanamo, and the wheat mill we bought from Poland had been unassembled for a few years and were built in a short period of time. The KTP factory, the other Bulgarian factory of agricultural machinery, a program was conducted to complete all those factories. The practice has been to begin the project and allocate a small amount of money without any intention of completing it.

The examples given by Luis [not further identified], that factory was built because of a number of reasons but a decision was made to complete it in a set period of time by coordinating everything. The (Bioterio) was a project designed to be completed because it had a defined goal. The same thing with the vaccine factory, it is a factory that has to be completed. There were mistakes; mistakes were made that delayed it, but that factory was completed. To complete projects, there must be a will to complete them. If when the annual plan is made and 100,000 pesos are allocated for a project that is supposed to cost 1 million, and then 100,000 and another 100,000 are allocated to others.... [changes thought] they are planned in such a way that they cannot be completed.

Of course there are different kinds of projects. A project such as the nuclear power plant needs a number of years. It has 4 reactors and then the other 2 are planned to be built in 10, 12, 14. [sentence as heard] It is a big project. This is not justified on some projects. Project planning does not include plans for not completing the work such as the one you mentioned, obviously that one has that kind of difficulties. However, there is no will to complete the project.

I belive we have to make efforts on this, and there was a time when we made them. We made them at one time.

What is needed to complete all projects? Earlier, a school was planned and built in a continuous production process and was built in 4, 5, 6 months at the most. They cost 1 million pesos but, if during that time when we built schools en masse throughout the country -- because we did build them en masse -- and up to 100 of those schools were being built in 1 year, up to 100. [sentence as heard] That is how the country was filled with schools, but how were they planned?

One was started and another one was completed. While they were breaking the ground here, they were building there. When they were building there, they were breaking ground over there. When they were building the second one, they were giving the finishing touches there. When they were breaking the ground in the third one, they were building the second, and in that way they were being built in a series, one after the other. With the present idea, if talk about schools and each one costs 1 million [currency not specified], what they do is allocate 100,000 pesos to each school. We will never complete them that way. It is a matter of planning and that evil began here in the past few years, especially during the last 10 years. That is the truth. It is a planning problem, conformism, deceit, and a hoax. I have been insisting on that because I can see it. I already gave you the example about the schools.

All the vocational schools in the country had been built in the old provinces. The only one remaining was the one in the eastern area. After that, the country was divided, and there was no longer a school in every province, other things were built; a secondary school was assigned.

One was going to be built in Holguin and the other in Santiago. The Santiago school was divided in two. Instead of costing 4,500 [currency not specified], it would be 2,500. As I was saying, all those schools used to be built in a certain length of time, 2 or 2 and 1/2 years. The Guantanamo school is the last to be built. It has been under construction for 7 years. It still needs 6 million [currency not specified]. It has the same cancer, the same type of disease. That is why I say it is a matter of concept. There used to be a time when 100 projects were built, whether it was schools or dairies, in one year. They used to be built one after another, so many in Guane, Isle of Youth, Havana, Wajay, Villa Clara, Sola, Contra Meastra, and the schools were made one after the other.

Using the same example, our great strategists would assign 50,000 pesos to each school and take 20 years to build 100 schools. That is why I say it is a problem of concept and, in addition, there is no willingness. That is what I am trying to introduce into the Construction Ministry. A large amount of projects have accumulated.

It took 7 years to construct Frank Pais [orthopedic hospital]. There were meetings there. Camacho [not further identified] would meet there every month. But there is one concept that cannot be assigned. If there is no willingness to finish, it will never to completed.

Now, the brigade that is finishing the genetic engineering center will be done in July. It has already been determined. How much time does it take to finish a hospital? At the pace they were going it would take 21 years. We have to take project by project and see what is happening, in electronics, for example. We need a program of priorities, but prioritization does not mean we resign ourselves to allowing the electronics project to be delayed another 10 or 12 years or that the Ariguanabo project be delayed. We need to make a list of all those projects and one by one determine what we are going to do with them; which will be finished first. We need to put an end to this.

From what I have been told, we have lost construction abilities because of waiting so long. Another concept was created. The projects were not finished, but the plan was completed on paper. That was a statement that used to be heard every year. It was completed on paper, but no projects were finished. On paper they finished projects every year. In addition, since completion was more difficult, the brigades began adapting and because of the computerized economic system [sistema de calculacion economica], they made more money by digging holes and placing the first columns than by finishing projects. Completing a project is more difficult. There are a large amount of problems that need to be corrected, and I have no doubt that we will correct them. We need to revolutionize once again all these concepts and carry out construction as it should be done. [applause] [end recording]

Presides Over 26 June Meeting

FL261528 Havana Radio Reloj Network in Spanish 1402 GMT 26 Jun 86

[Text] At this moment Commander in Chief Fidel Castro, party first secretary, is presiding over the assessment meeting on enterprise management of Havana Provinces being held at Havana's Karl Marx Theater. The meeting, which began yesterday morning is being attended by over 4,800 delegates representing about 900 enterprises as well as by party and state leaders.

Some of the main topics which have been discussed at the meeting are the excessive overfulfillment of norms [as heard] because of lack of supervision, assessment, and requirements as well as violation of forms of payments.

A strong spirit of criticism and self-criticism has prevailed in the remarks made by party, labor, and management leaders, who have analyzed problems aimed at eliminating deficiencies.

HOTEL WORKERS OPT TO FOREGO MATERIAL INCENTIVES

FL251922 Havana Radio Periodico del Aire in Spanish 1600 GMT 25 Jun 86

[Text] In Havana, management councils of 13 hotels of the Turhoteles enterprise have announced they will not accept payment of materal incentives in addition to their salaries in support of Commander in Chief Fidel Castro's 19 April remarks. This was announced during a meeting presided over by Turhotel Director Angel Cisneros, who said Habana Libre Hotel was the first one to implement this measure.

PENA GOMEZ DECRIES SHOOTING INCIDENT

FL261230 Santo Domingo Cadena Brea Pena in Spanish 1130 GMT 26 Jun 86

[Text] Dr Jose Francisco Pena Gomez has asserted that police and military authorities used excessive force at the Central Electoral Board, where a multitude was machine-gunned, causing 5 deaths, more than 20 wounded, and a similar number of injured [as heard].

The president of the Central Electoral Board has described as senseless those who hold the board responsible for the machine-gunning on Monday in which 5 were killed and more than 20 wounded.

Professor Juan Bosch has said that the delay in giving the official election results was not the fault of the Central Electoral Board but of the system and of the general disorder that afflicts the country.

GOVERNMENT TO BOOST PARTICIPATION IN CBI

FL201440 Bonaire Trans World Radio in English 1130 GMT 20 Jun 86

[Text] Vice President-elect Carlos Morales Troncoso said yesterday that his country hopes to boost its participation in U.S. President Reagan's Caribbean Basin Initiative [CBI] program. The Dominican Republic can make products that are no longer being manufactured in the United States, Troncoso said, referring to labor intensive production that it is too expensive to be profitable in the United States.

Troncoso was speaking to officials from 69 Latin American and U.S. cities attending the Great Cities of the Americas Conference at the Caribe Hilton Hotel in Puerto Rico.

BRIEFS

NEW SWEDISH AMBASSADOR -- New Swedish Ambassador Lemnart Klackemberg today presented his credentials as Swedish Ambassador to the Dominican Republic. [Summary] [Santo Domingo LISTIN DIARIO in Spanish 12 Jun 86 p 10 FL]

GUYANA'S JACKSON OUTLINES CARICOM AGENDA

FL270038 Bridgetown CANA in English 2317 GMT 26 Jun 86

[Text] Georgetown, Guyana, June 26, CANA -- The Guyana Government is confident that next week's Caribbean Community (Caricom) heads of government conference will moive the 13-year-old regional integration movement forward. Foreign Minister Rashleigh Jackson told CANA that there was a mood of optimism about the July 1-4 summit. At the substantive level, we think it will be an important meeting in terms of assessing where we are against the backdrop of the Nassau Understanding and the Barbados Consensus (declaratins of the last two summits), Jackson said. He said Guyana remained committed to Caricom and had endeavoured to maintain and diversify areas in which trade can take place.

We must remember that there is trade not only at the formal levels, but (that) place at the informal level does not show up in the national accounts, Jackson said. He referred to counter trade arrangements with St Vincent and the Grenadines, cooperation with Barbados on pharmaceuticals, and continuing efforts to supply lumber to Barbados and Trinidad and Tobago. Jackson said that Guyana maintained a cordial and close relation with the Trinidad and Tobago Government, despite the suspension of credit for oil by Port-of-Spain and Georgetown's new arrangements for supply of fuel from Venezuela. The basis for our cooperation with Venezuela was set since February 1985 when the Venezuelan foreign minister visited Guyana.

The Trinidadians have been appreciative of our position, he said. The Guyanese minister referred to the demand by Port-of-Spain last October for cash up front for the purchase of oil which was met through the export of rice and other economic arrangements. He said the problem arose because the Trinidad market became overstocked with rice. Guyana chalked up credit to the tune of TT400 million dollars.

Guyana, according to the foreign minister, is committed to repaying all debts including the just over 60 million U.S. dollars owed under the suspended Caricom multi-lateral clearing facility, the payments mechanism for intra-regional trade. He, however, did not indicate any time frame for repayment.

As regards the 13-point agenda which will occupy the attention of Caricom leaders next week, Jackson said apart from the trade and economic issues, there is widespread concern about drug trafficking. Guyana shares the growing regional concern about drug trafficking and drug abuse. There are three components which we need to look at, the production, transportation, and consumption, he said. The heads of government will consider a preliminary report on this subject commissioned by the Caricom Secretariat.

Another agenda item which is of particular interest to Guyana is of apartheid and sport. The Guyanese administration has maintained a consistent tough stand on sportsmen playing in South Africa. Jackson said the discussions in Georgetown will focus on the United Nations convention on apartheid and sport in terms of getting Caricom members to coordinate signature and ratification of the convention. The Guyanese foreign minister said the question of strengthening the Commonwealth Gleneagles Accord, a consensal document on sporting contacts with South Africa, was likely to generate discussion as well.

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DAILY REPORT

CONTENTS

Latin America

Vol VI No 125 30 June 1986

INTER-AMERICAN AFFAIRS

Contadora Group Condemns U.S. Contra Aid Approval [Mexico City] A 1
OAS Secretary General Calls for Contadora Support [CANA] A 1

ARGENTINA

Caputo: U.S. Congress Decision Regrettable B 1
U.S., USSR Extend Invitation for Space Flight B 1
Details of Alfonsin's Asian Trip Discussed B 2
Communique Issued on Army Generals' Meeting B 3
Briefs: Argentine Ambassador to PRC B 3

BOLIVIA

'Necessary Actions' To Be Taken To Maintain Order C 1
    Barthelemy on 'Agitation' C 1
    Valle Comments C 1
    Document Says Coup Planned C 2
    Government Denies 'Coup Document' C 2
Luis Arce Gomez Fails To Appear in Court C 3
Planning Minister Undergoes Surgery in Paris C 3
Briefs: New FAB Border Group; Spanish Ambassador Presents Credentials C 3

BRAZIL

PRC Ambassador Likely To Become Ambassador to Cuba D 1
PCBR Members Rob Banks To Finance Struggle D 1
Monetary Council Enacts New Economic Measures D 1
Briefs: Air Controllers Assist Iraq D 2

CHILE

Terrorist Arsenal Seized; Attack Thwarted E 1
Buses Burned; Stopage Announced for 1, 2 July E 1
PDC's Valdes Urgest Pinochet To Find Solution [EL MERCURIO 25 Jun] E 1

COLOMBIA

Bombs at Honduran Consulate, Soviet Center F 1
    Honduran Consul Injured F 1
President Sends 'Solidarity' Message to Garcia F 1
M-19 'Would Accept' Papal Mediation in Talks [Madrid] F 2
Patriotic Union To Present Document to Pope F 2

PARAGUAY

Saldivar on Uruguayan Ties After Airport Incident [HOY 27 Jun] H 1
  Meets Uruguayan Lawmakers [HOY 27 Jun] H 2
  Further Reaction [EL DIARIO 26 Jun] H 2
  PATRIA Charges Interference [26 Jun] H 3
Nanduti Owner Meets With Judge Over Jammings [LA TARDE 26 Jun] H 5
Briefs: Ambassadors to Argentina, Brazil; Christian Democratic Youth Leader H 5

PERU

Garcia Says 100 Lurigancho Prisoners 'Executed' J 1
  Guilty To Be Punished J 1
  Meeting Held; Visits Allowed J 2
  Opposition Calls for Resignation J 2
  Coup Attempt Denied J 3
  'Unrest' Among Guards J 4
  Military Chief Urges Support J 4
  Foreign Solidarity Noted J 5
Four Killed in Shining Path Ayacucho Attack J 5
Shining Path Printing Shop Discovered, Raided J 6

URUGUAY

Deputies Refute Laino Case Official Version [HOY 27 Jun] K 1
Arismendi Returns From Cuba, Nicaragua, USSR Trip [LA HORA 24 Jun] K 1
Chiarino Reacts To Statements by Officers K 1
  President Orders Investigation K 3
Briefs: Exports Increase K 3

MEXICO

De la Madrid Remarks on Democracy, Sovereignty M 1
Labor Sector Discusses Economic Policy M 1
FRG's Kohl Arrives, To Meet De la Madrid M 1
Guatemalan Deputy Minister on Contra Aid M 2
Panama's Abadia on Contadora, U.S. Ties M 2
Spain, Britain, Canada Reduce Oil Purchases M 3
Coinvestment Agreement Signed With France M 3
15 Lebanese 'Presumed Terrorists' Arrested M 4

PANAMA

Editorial Views Contra Aid Approval Effects [MATUTINO 27 Jun] N 1
Assembly Resolution Backing Noriega Criticized [LA PRENSA 26 Jun] N 2
'Moral Dilemma' Facing U.S. on Noriega Charges [EXTRA 27 Jun] N 2

CENTRAL AMERICA

COSTA RICA

- Ambassador Says Nation Ready To Sign Contadora P 1
- Government Opposes Condeca Reactivation [LA REPUBLICA 21 Jun] P 1

EL SALVADOR

- Official Denies Cuban Exiles Denied Asylum P 2
- FDR-FMLN Replies to Duarte on Dialogue [Venceremos] P 2

GUATEMALA

- Cerezo on Conditions for Talks With Guerrillas [PRENSA LIBRE 26 Jun] P 4
- Cerezo Has 'Total and Unrestricted' Army Support P 5
  - Disagreements Denied P 5
- Group Deported From Honduras Plotted Coup P 6
- Exxon Contractor Leaves El Peten; Security Cited P 7

HONDURAS

- Government Says Contras Must Leave Country P 7
  - Congress President Comments P 8
  - FDN on Withdrawal Plans P 10

NICARAGUA

- Officials Comment on U.S. Aid to Contras P 11
  - Ortega Speech P 11
  - Ramirez News Conference [Guatemala City] P 14
  - PLI Leader Reacts [ACAN] P 16
- Leaders Applaud Decision Rendered by ICJ P 17
  - Ortega Remarks P 17
  - D'Escoto Interview P 18
- LA PRENSA Directors on Newspaper's Closure [AFP] P 20
- Msgr Carballo Denied Entrance to Country [REUTER] P 21
- EPS Claims 4,000 Contra Casualties in 5 Months P 21

CUBA

- Radio Decries U.S. Aid to Nicaraguan Contras Q 1
  - Ortega Discusses Court Ruling Q 1
- Resumption of Relations With Brazil Hailed Q 2
  - Brazilian 'Satisfaction' Noted Q 3
  - U.S. Reaction Reported Q 3
- Radio Reloj Notes VOA Caribbean Project Q 4
- Ambassador to USSR Meets With Ligachev Q 4
- Almeida Meets SFRY Officials in Belgrade Q 4
- Bulgarian Foreign Trade Minister Arrives Q 5
  - Meets With Rodriguez Q 5
- 'Negligent' Personnel Blamed for Oil Spill Q 5
  - Spill Reportedly Under Control Q 5

CONTADORA GROUP CONDEMNS U.S. CONTRA AID APPROVAL

PA271653 Mexico City XHDF Television Network in Spanish 0300 GMT 27 Jun 86

[Text] The Contadora Group today condemned the U.S. decision to increase the aid, including military aid, to the groups that are trying to overthrow the Nicaraguan Government.

Here we have a report from New York by Roberto Gonzalez Perez, a NOTIMEX correspondent for "7 Days" newscast.

[Begin recording] The decision of the U.S. House of Representatives to support the $100-million aid for the Nicaraguan contras is a historic mistake that may damage inter-American relations. Stating this on behalf of the Contadora Group, Mexican Foreign Secretary Bernardo Sepulveda Amor added that the principle of nonintervention in the domestic affairs of any country is not only a legal, but a political matter as well.

The four foreign ministers of the Contadora Group met with the UN secretary general this morning to present to him a report on the most recent progress of their effort.

During a joint news conference, Venezuelan Foreign Minister Simon Alberto Consalvi noted that the Contadora documents stated that one of the basic conditions for peace in Central America is not to provide any aid to the irregular forces operating in the region. [end recording]

OAS SECRETARY GENERAL CALLS FOR CONTADORA SUPPORT

FL280036 Bridgetown CANA in English 2106 GMT 27 Jun 86

[Text] Washington, June 27, CANA -- Organization of American States (OAS) Secretary General Joao Clemente Baena Soares today called for an intensification of efforts by Latin American countries to find a peaceful solution to the conflict in Central America.

The OAS chief executive reiterated his strong support for the efforts of the Contadora Group of which the four countries are members. He urged them to intensify their efforts. We should not concentrate on anything that may discourage the Contadora Group and Support Group efforts, but always with a favourable outlook, we should stress everything that would lead to a final conciliation of the Central American family, he added.

He spoke shortly after the U.S. House of Representatives reversed an earlier decison and voted $100 million in mostly military aid to rebels fighting the Nicaraguan Government.

CAPUTO: U.S. CONGRESS DECISION REGRETTABLE

PY271315 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1203 GMT 27 Jun 86

[Text] Buenos Aires, 27 Jun (NA) -- Argentine Foreign Minister Dante Caputo has noted that "when you fight the devil with his own weapons, you are transforming the situation into an inferno." Caputo said this regarding the U.S. House of Representative's decision to approve the sending of $100 million in aid to the counterrevolutionary groups operating in Nicaragua.

In a statement to Radio Mitre, Caputo, who regretted the House of Representatives' decision, expressed his hope that the Contadora Group and the Support Group negotiations "will help find a political solution to the Central American crisis before the irregular actions that are promoted from outside the continent turn this region into the scene of an East-West conflict, a conflict which has no connection with the interests and real problems of Latin America nations."

Justifying his criticism of the U.S. aid to the Nicaraguan contras, the Argentine foreign minister noted that "we Argentines have fresh in our memories the experience of what fighting terror with terror means." He said this in reference to the anti-subversive struggle and he reasserted that the government's position in favor of "respect of international rights."

Caputo added: "The worst thing that can happen for Latin Americans is for the law of the jungle to prevail in Central America because we will inevitably lose because we are not the lions." Caputo said that "the potential danger to the stability of our continent is just as great when one of our nations allies itself with extra-regional power as it is when as a result of any action of another power, we destroy the international legal order and the principles of nonintervention and self-determination of nations."

U.S., USSR EXTEND INVITATION FOR SPACE FLIGHT

PY290256 Paris AFP in Spanish 2153 GMT 28 Jun 86

[Text] Buenos Aires, 28 Jun (AFP) -- Official sources in Buenos Aires today confirmed that both the United States and the Soviet Union have asked the Argentine Air Force to nominate an officer to participate in a space flight.

The sources have revealed that NASA's invitation was sent to the Argentine Government 8 months ago, but they pointed out that the invitation had obviously remained in abeyance in view of the paralyzation of the U.S. space program after the accident that destroyed the space shuttle Challenger.

This week the Soviet Union's Air Force attache in Buenos Aires, Colonel Viktor Toptashov, admitted the possibility that an Argentine Air Force officer or aeronautics engineer might participate in a Soviet flight. In this respect, military sources cited by the local press indicated that talks with Moscow on this topic are progressing well.

DETAILS OF ALFONSIN'S ASIAN TRIP DISCUSSED

PY290206 Buenos Aires DYN in Spanish 1632 GMT 25 Jun 86

[Excerpt] Buenos Aires, 25 Jun (DYN) -- It was learned from reliable sources today that President Raul Alfonsin will propose the creation of a "council of notables" to the Japanese Government. This council will have the task of outlining the new framework of bilateral relations. Alfonsin will make this proposal to Japanese Prime Minister Yasuhiro Nakasone during the official visit he will make to Japan, where he will arrive on 13 July.

According to these reliable sources, Alfonsin and Nakasone will discuss several points pertaining to the relations between the two countries. They will also discuss disarmament, the Central American situation, Latin America's democratization process and Latin America's foreign debt.

It has also been learned that Alfonsin believes that the creation of a "council of notables," or "wise men," would help outline the guidelines for strengthening ties between the two countries, because their economies complement each other and this fact will permit an increase in trade.

Foreign Ministers Dante Caputo and Shintaro Abe will be charged with evaluating and promoting the modus operandi that will be used by the group of "wise men," which, it is believed, must comprise only a few members.

Regarding disarmament, it is known that Nakasone will propose to Alfonsin that Argentina sign the Nuclear Nonproliferation Treaty. When discussing this topic Alfonsin will undoubtedly explain Argentina's nuclear policy to Nakasone.

Another leak indicates that Nakasone will want to discuss the Central American situation and he will take advantage of the opportunity to express Japan's pleasure regarding the Contadora Group's activities, in which Argentina is participating. Nakasone is also very interested in the democratization process in Latin America, and he might ask Alfonsin's opinion on the political developments in Paraguay and Chile, Argentina's neighbors which have been subject to military regimes for many years, and in which the opposition is permanently repressed.

Regarding the foreign debt, which is another topic that will be discussed during the Alfonsin-Nakasone meeting, the Argentine president will have the opportunity to explain the development of the Cartagena Consensus and the efforts that are being made by Argentina in this respect.

Caputo and Abe will discuss a Argentine-Japanese Cultural Week and set the date and place for it.

Alfonsin and his entourage, which in addition to Caputo will include Economy Minister Juan V. Sorrouille, will depart on 10 July. The trip will include visits to New Zealand, Australia, Japan, the Philippines, Saudi Arabia and Portugal.

The first stopover of the transpolar flight will be Auckland, New Zealand, where Alfonsin will meet with the high-level officials. After staying a few hours in that city, the Boeing 707 -- registration TC-91 -- that is being used by the delegation will leave for Australia, an English-speaking country like New Zealand, with which Argentina has very cordial relations. Alfonsin and his entourage will depart Australia for Japan and they expect to arrive in Tokyo on 13 July. On arrival the delegation will go to the Akasaka Palace.

COMMUNIQUE ISSUED ON ARMY GENERALS MEETING

PY271818 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0120 GMT 27 Jun 86

[Text] Buenos Aires, 26 Jun (NA) -- The Army has released the following communique about the meeting of generals in the Libertador Building this evening:

The first meeting of generals on duty in the country presided over by the Army chief of staff ended today at 2230.

After an introduction made by General Hector Rios Erenu the generals spoke about the following subjects:

1. the state of the rationalization studies carried out by different special commissions;

2. the annual posting orders of officers;

3. evaluation procedures for promotions;

4. training and education aspects;

5. budget allotment and maintenance situation;

6. investigation and development projects already under way or planned;

7. the report to be given to the defense minister when he next visits the Army staff;

8. evaluation of the inspections carried out by the chief of staff to the XXII Infantry Brigade and the VIII Mountain Infantry Brigade units;

9. state of the second phase of the Army modernization.

The meeting will continue tomorrow at 0800 with briefings by Army corps commanders and the general director of the military academies about subjects pertaining to their respective jurisdictions.

The meeting will end at noon when the chief of staff will speak of his conclusions, give out orders for the second half of the military year and about the inspections he will continue making to the different units of the force.

In the afternoon the promotion board will hold its plenary meeting.

Today at noon the defense minister attended a luncheon with all the generals who participated in the meeting.

BRIEFS

ARGENTINE AMBASSADOR TO PRC -- Buenos Aires, 17 Jun (TELAM) -- The PRC Government has approved the appointment of Arturo Ossorio Arana as Argentine ambassador to the PRC. Ossorio Arana is replacing Hector Subiza. [Excerpt] [Buenos Aires TELAM in Spanish 0101 GMT 18 Jun 86 PY]

'NECESSARY ACTIONS' TO BE TAKEN TO MAINTAIN ORDER

Barthelemy on 'Agitation'

PY261835 La Paz La Red Panamericana in Spanish 1130 GMT 26 Jun 86

[Text] Interior Minister Fernando Barthelemy has stated that the government will not hesitate to enforce a state of seige if the agitation against social peace continues. The minister talked about the social stability in the country and the last mobilization conducted by peasant organizations in Patacamaya. He added that the mobilization was not successful despite a campaign for support.

Minister Barthelemy categorically stated on behalf of the government that the established order will be maintained.

[Begin Barthelemy recording] We have stated that the first obligation of the government is to maintain social peace and if needed the necessary actions will be taken by the government [words indistinct]. [end recording]

The government decision will depend a great deal on the social situation resulting from the differences between the government and the leaders of the Bolivian Labor Confederation over the consultation to be held next month.

Valle Comments

PY281648 La Paz La Red Panamericana in Spanish 1130 GMT 28 Jun 86

[Excerpt] Defense Minister Luis Fernando Valle has told Panamericana that the Armed Forces will comply with the constitutional rules. Therefore, if the peasant confederation carried out its threat to set up road blocks on 30 June, the Army will be forced to go out to comply with constitutional duties of guaranteeing the free movement of Bolivian citizens.

[Begin Valle recording] I first wish to ratify the Armed Forces' will to comply with all their constitutional duties. One of these duties is to guarantee the free movement of all Bolivian citizens. The Armed Forces will not act outside the constitutional framework. We are living in a democracy firmly and currently [word indistinct] supported by the Armed Forces. We will comply with the Constitution which establishes rights but also duties for all Bolivians. [end recording]

The defense minister also said that there is no need to conduct a poll, because the subjects questioned by the Bolivian Labor Confederation [COB], which are the foreign debt and the tax reform, have been fully approved by the people in the last elections when voting for the current administration, which endorsed these positions.

[Begin Valle recording] I would like to point out something regarding this COB poll. Evidently, given the measures adopted by the government within a national economic reactivation plan, an artificial atmosphere of national restlessness has been created. This restless situation is based on an ideal that is not valid: the repetition of an old and worn-out formula brought out again and again, in the case of the foreign debt payment. It is well-known that all parties of the extreme left sought to exclude the payment of the foreign debt in the last elections.

However, the parties which proposed normalizing our economy by renegotiating the debt within reasonable and favorable terms for Bolivia, are the ones that received the largest number of votes. Therefore, the people have already expressed their desire regarding the subject during the last elections. To raise this matter again would mean to indirectly promote an atmosphere of restlessness.

Document Says Coup Planned

PY281348 Paris AFP in Spanish 0430 GMT 28 Jun 86

[Text] La Paz, 27 Jun (AFP) -- Leaders of the governing Nationalist Revolutionary Movement (MNR), dismissed officers, and labor leaders are preparing a coup d'etat and planning to assassinate President Victor Paz Estenssoro, according to a document attributed to the government intelligence services and published here today.

Although the Interior Ministry has not admitted having written the document, the Bolivian Labor Confederation (COB) asserted at a press conference that the report has been drawn up by the ministry in order to initiate a harsh repression against the labor and popular movement. The report (dated 16 May) states that the leader of the subversion is the current Bolivian ambassador to Lima, Nuflo Chavez Ortiz, who assumed his diplomatic post last week. It also says that the government will be taken over by current Vice President Julio Garret Ayllon, who is also president of the Andean Parliament.

Among the officers who will reportedly participate in the coup appear some former collaborators of General Luis Garcia Meza (1980-1981), such as Colonel Rodrigo Lea Plaza and Colonel Faustino Rico Toro, as well as others of a leftist leaning, namely Major Ruben Sanchez. Among the plotters there are also labor leaders, such as mineworkers' leader Filemon Escobar, and others equally well-known.

So far, Paz Estenssoro's government has not admitted that its intelligence services have written this document, but the COB asserts having obtained it from an Interior Ministry informer.

Government Denies 'Coup Document'

PY281614 Paris AFP in Spanish 1419 GMT 28 Jun 86

[Text] La Paz, 28 Jun (AFP) -- The Interior Ministry today termed as apocryphal the document which the Bolivian Labor Confederation (COB) attributed to state security organizations. The document reports on th preparation of a coup d'etat and the intention to assassinate President Victor Paz Estenssoro. The ministry document clarifying the matter says that neither the Interior Ministry not its personnel resort to subterfuge in their mission to preserve state security and safeguard public peace.

It was recalled that COB leaders stated yesterday that the alleged report was given then by an Interior Ministry agent. COB Secretary General Walter Delgadillo said that various governments in the past resorted to inventing plots to unleash harsh repressions against the labor movement, just as would be happening now.

According to the document obtained by the COB, the leaders of the plot against Paz Estenssoro were Vice President Julio Garret Ayllon and Bolivian Ambassador to Lima Nuflo Chavez Ortiz. Other participants in the antidemocratic preparations were retired officers Mario Vargas Salinas, Rodrigo Lea Plaza, Emilio Lanza, and Faustino Rico Toro, as well as union leaders, among whom Filemon Escobar was mentioned.

LUIS ARCE GOMEZ FAILS TO APPEAR IN COURT

PY271639 La Paz La Red Panamericana in Spanish 1130 GMT 27 Jun 86

[Excerpt] The second defendant in the Supreme Court trial against Garcia Meza, former Colonel Luis Arce Gomez, failed to appear at the first question session as scheduled by the Supreme Court judges in Sucre. This is reported from Sucre in view of the seriousness that this situation entails since Arce Gomez may be charged with contempt of court for not appearing before the court. The following is a relay from Sucre by our correspondent.

[Begin relay] The Supreme Court continues to study Garcia Meza's confessions almost one week after the reading of the confessions of the main defendant of the trial that is taking place in Sucre. However, new hearings were held in the last few hours at the Supreme Court.

The questioning of Luis Arce Gomez was supposed to take place on 26 June, but he did not appear before court.

In its next meeting, the Supreme Court will decide whether to issue another court summons for Luis Arce Gomez, former interior minister during the Garcia Meza government, and immediately charge him with contempt of court; or whether to give him another 10-day deadline for appearing before the court. [end relay]

PLANNING MINISTER UNDERGOES SURGERY IN PARIS

PY280240 La Paz La Red Panamericana in Spanish 0000 GMT 28 Jun 86

[Excerpt] During a press conference, Information Minister German Antelo announced that Planning Minister Gonzalo Sanchez de Lozada has undergone surgery in the French capital. Gonzalo Sanchez de Lozada suffered a sudden inflammation of the appendix and had to seek appropriate medical treatment.

[Begin recording] Fortunately, the minister is already recovering. He had a problem involving an inflammation of the appendix. He was operated on in Paris and must stay in bed for 5 days, after which he may fly back to our country. [end recording]

BRIEFS

NEW FAB BORDER GROUP: A new Bolivian Air Force [FAB] group will be headquartered in the Puerto Suarez border area. The opening is scheduled for 10 June. FAB authorities have reported that this new unit will be headquartered 900 km east of Boliva [as published], on the Brazilian border. Thus, the FAB will fulfill its noble task of preserving Bolivan sovereignty by posting this newly-created unit to a strategic point like Puerto Suarez, where it will undertake missions to support the development and progress of this remote area of our fatherland. The new air detachment has been named "Lieutenant Colonel Jose Manuel del Carpio." [Excerpts] [La Paz EL DIARIO in Spanish 8 Jun 86 p 3 PY]

SPANISH AMBASSADOR PRESENTS CREDENTIALS -- Justo Navarro Izquierdo on 11 June presented his credentials to President Victor Paz Estenssoro as the new Spanish ambassador to Bolivia. [Excerpt] [La Paz EL DIARIO in Spanish 12 Jun 86 p 1 PY]

PRC AMBASSADOR LIKELY TO BECOME AMBASSADOR TO CUBA

PY271655 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 27 Jun 86

[Excerpts] On 1 July Foreign Minister Abreu Sodre will submit a draft resolution to the Planalto Palace creating the Brazilian Embassy in Havana. After the preident signs the resolution, a delegation of three or four diplomats, an architect among them, will visit Havana to observe the areas where the Brazilian Embassy and the ambassador's residence will be located.

The Brazilian ambassador to Havana has not been designated yet. The ambassador will be chosen from a list of names that President Jose Sarney will receive in the next few days. According to Itamaraty spokesman Ruy Nogueira, Brazilian Ambassador to Beijing Italo Zappa is very likely to be designated to the post in Havana.

PCBR MEMBERS ROB BANKS TO FINANCE STRUGGLE

PY281515 Paris AFP in Spanish 0422 GMT 28 Jun 86

[Text] Rio de Janeiro, 27 Jun (AFP) -- It was reported in Rio de Janeiro this evening that the members of the Brazilian Revolutionary Communist Party [PCBR] robbed two banks in the State of Bahai, northern Brazil, to obtain money for the armed struggle against the regime.

According to the O ESTADO DE SAO PAULO newspaper agency, this news was released today in Salvador by former Air Force Sergeant Antonio Prestes de Paula, who participated om the two roberies and was arrested this week by the Brazilian Federal Police in the State of Goias. The two robberies were carried out by the former sergeant and five other PCBR members who were also arrested, the source reported, adding that the criminals had planned other robberies in the northeastern region of Brazil to finance the armed struggle.

When four of the six criminals were arrested last April, they had said that the money they obtained was meant to be sent to Nicaragua to help that government.

The PCBR was founded during the 1970's by Brazilian leftists who favored the armed struggle.

MONETARY COUNCIL ENACTS NEW ECONOMIC MEASURES

PY280052 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 27 Jun 86

[Text] The National Monetary Council has approved several measure aimed at reducing the credits granted to consumers.

[Begin Lourival Macedo relay, en progress]...among such measures are the reduction of personal loans to the level they were in April, when the independent financial agencies and the financial agencies run by the commercial banks lent 4 and 16 billion cruzados respectively to consumers.

These agencies will have to reduce their loans to 600 million and 7 billion cruzados respectively in the following manner: The agencies run by the commercial banks will reduce their credits to consumers by 20 percent. This will be done by reducing them by 7 percent in July, 7 percent in August, and 6 percent in September. The independent agencies will reduce their lending by 10 percent. This will be done by reducing them by 7 percent in July and 3 percent in August.

Credit cards will no longer be used for buying gasoline. In addition, loans using social security funds have been banned.

Planning Minister Joao Sayad has said that these measures will be temporarily enforced and that they will be lifted on 31 December 1986.

Finance Minister Dilson Funaro has said that the objective of these measures is to balance supply and demand.

[Begin Funaro recording] We must give time to the agricultural and industrial sectors so that they can increase production and so that demand can be properly met. Second, based on our experience with the price freeze and on our contact with all sectors, I am absolutely sure that it is possible for our economy to continue to run normally and attain stability. I am sure that most prices can drop. This is extremely positive, because it shows that Brazilian economy is not under inflationary pressure. What we went through in the last 30 days....[changes thought] The Cruzado Plan will complete its 120th day on 28 June, and we will close this 4-month period with an inflation figure of approximately 3 percent. This is a great victory for our country. [end recording]

In addition to these measures, the National Monetary Council has changed the system of operation of passbook savings. Quarterly interest payments on savings accounts will no longer be paid only every 3 months, as established under the Cruzado Plan. It will now be paid in any month the account holder chooses to receive the quarterly interest. Thus, if a person opens three accounts in succesive months, he will be in a position to receive quarterly interest payments every month.

The council has also created an insurance system covering the loans that Brazilian companies contract with foreign banks through local banks. Funaro explained that the funds for the system will come from the surcharge of so-called "spread" [preceding word in English] that foreign banks collect when the loan does not have a government guarantee. Thus, if the bank that is acting as a middleman goes bankrupt, the debt must be repaid by the insurance system. [end relay]

BRIEFS

AIR CONTROLLERS ASSIST IRAQ -- Two FAB [Brazilian Air Force] officers, who are specialized air traffic controllers, are on their way to Iraq to provide technical assistance and training to Iraqi civilian and military organizations. This information was confirmed on 24 Jun by the Public Relations Center of the Aeronautics Ministry, which added that Iraq is interested in the integrated -- civilian and military -- air traffic control system as used in Brazil. The Iraqi Government now wants to establish a similar system in Iraq. [Text] [Sao Paulo O ESTADO DE SAO PAULO in Portuguese 25 Jun 86 p 2 PY]

TERRORIST ARSENAL SEIZED; ATTACK THWARTED

PY281823 Paris AFP in Spanish 0356 GMT 28 Jun 86

[Text] Santiago, 27 Jun (AFP) -- The Chilean Military Government Security Service has captured an arsenal of the proscribed Manuel Rodriguez Patriotic Front [FPMR] and arrested the terrorist guarding it, it was reported here today. In an official communique released by the National Social Communications Agency, it is reported that National Intelligence Center [CNI] personnel discovered weapons, munitions, and explosives in the house in which Communist Party member Reinaldo Gallardo was arrested.

The communique also says that the leftist FPMR had planned to attack a Carabineros garrison. The FPMR, which the government considers the armed branch of the Communist Party, has claimed responsibility for several attacks in the last 2 years.

BUSES BURNED; STOPPAGE ANNOUNCED FOR 1, 2 JULY

PY272242 Paris AFP in Spanish 1851 GMT 27 Jun 86

[Text] Santiago, 27 Jun (AFP) -- The Chilean police today reported that five buses have been burned in Santiago over the past 48 hours. Three buses were burned by armed groups who shouted antigovernment slogans and forced the passengers to get off the buses so that they could burn them. Timer devices, which detonated inflammable charges when the buses were parked at the terminal station, were used in the other two cases.

No official report has been issued concerning details of the assailants. It is presumed, however, that they belong to clandestine organizations opposed to the military regime of President Augusto Pinochet.

A nationwide stoppage, called by the National Civic Assembly which has center-left leanings and includes trade union organizations, demanding an end to the military government installed in power 12 years ago has been announced in Chile for 1 and 2 July.

PDC'S VALDES URGES PINOCHET TO FIND SOLUTIONS

PY271751 Santiago EL MERCURIO in Spanish 25 Jun 86 p C5

[Text] Christian Democratic Party [PDC] President Gabriel Valdes yesterday requested President Pinochet "lead the way for political solutions that will truly resolve" what he described as "a national crisis."

The PDC leader called a press conference to issue his written answer to a statement made by Pinochet. According to Valdes the president made a direct reference to him when he said that "I did not understand anything he was talking about when he said that the plebiscite established in the so-called 1980 constitution, will be held in 1989."

The PDC president has noted that the country believes that by refusing to take into consideration the National Accord and its immediate measures; by ignoring the Chile Demands proposals and by insisting on the need to hold a plebiscite in 1989, the president has reasserted his intention to "perpetuate himself in power." Valdes added that "by 1989, Pinochet will have been president for 16 years and if his plans are fulfilled he will virtually be president for 25 years."

Valdes noted that although General Pinochet charges politicians with being power hungry, it is Gen Pinochet who has to give some explanations about his will to continue as president after 16 years in power." The PDC president noted that "for our part, our desire is to serve the country and our task is to restore democracy. We are not moved by personal ambition to fulfill these objectives and we are willing to support a person that rallies the citizens' support so as to establish a democracy."

Later he answered President Pinochet's charges that he was ambitious by saying that "he must give clear answers to what the country demands: He must lead the way to political solutions that will truly resolve the national crisis that the entire country is experiencing."

Speaking about the recent document issued by the Democratic Alliance [AD], Valdes said that he believes that the AD has answered the Civic Assembly by expressing its political will that "free elections be held now." Valdes added that "there are many formulas that have been proposed. All of them could be interesting. However, it is my personal belief, and that of the AD, that before proposing any specific formulas, the Armed Forces, which are in power, must show some minimum sign of political will to undertake negotiations to discuss these formulas. True formulas are the result of negotiations."

The PDC leader noted that the AD is seeking a peaceful solution. He noted that "peaceful solutions are achieved by negotiating with the sector that is in power. This has been the case of all the peaceful solutions that have been achieved throughout the world and this is what we want to do in Chile. We have said this from the very beginning. This is why we were part of the dialogue undertaken by [former Interior Minister Sergio Onofre] Jarpa; this is why we sent a letter to the Armed Forces commanders; this is why we signed the National Accord; and this is why we are reasserting our will to find a peaceful solution."

Valdes noted that "solutions must be sought with those who exercise power." He added that "we gain nothing by speculating about the holding of talks" with a person who has always upheld a position which only seeks to perpetuate himself in power." He said that the existence of electoral registries "does not mean anything has been accepted. It is merely the exercising of a citizens right through which they know where they can express their will. These electoral registries can be used for many things, we believe that they are used to hold free and open elections."

Asked whether he will submit suggestions on the congressional draft bill to the subcommittee headed by Juan de Dios Carmona, Valdes said that: "We do not give it any importance."

Stating that he will speak on his views about the democratic future in Chile on 10 July at the Social Union of Christian Businessmen, Valdes declined to discuss his position on the agrarian reform and other issues, which he said will be discussed on 10 July.

Regarding the new defeat that PDC unions suffered in the Chuquicamata mine union elections where the MDP [People's Democratic Movement] leftist militants won, Valdes said that the party is studying these results. He also blamed the government for "the radicalization" of the positions upheld by the union sector.

BOMBS AT HONDURAN CONSULATE, SOVIET CENTER

PA271749 Bogota Television Service in Spanish 1731 GMT 27 Jun 86

[Text] Two explosive devices went off in Medellin. A few minutes ago, a bomb exploded in front of the Honduran Consulate located in the Belen neighborhood in southern Medellin. It slightly injured the consul. The other explosive device exploded in the Soviet-Colombian center located in the commercial sector of Medellin. The explosion caused serious damage to the building and to nearby houses. The metropolitan police said no group has claimed responsibility yet for the attacks and that there have been no arrests.

HONDURAN CONSUL INJURED

PA280056 Bogota Television Service in Spanish 0000 GMT 28 Jun 86

[Text] This Friday would not be complete without the terrorist attacks to which we have painfully become accustomed; this time it happened in Medellin. The capital of Antioquia was the site of two terrorist attacks today; the most grave one was perpetrated against Rosario Menosca de Aguirre, honorary Honduran consul in Medellin. A bomb was placed inside the garage at the consul's residence and exploded when the diplomat was about to take out her vehicle this morning, on her way to a medical appointment.

Two of the diplomat's children, who were close by, were unhurt, but she sustained several wounds. She sustained two dangerous wounds on her back, and it was necessary to transfer her immediately to the Soma Clinic. In addition, the diplomat is 7 months pregnant. The residence's garage and the vehicle sustained serious damages.

Another attack was perpetrated against the Colombian-Soviet Institute early this morning; a bomb destroyed part of the building's facade and office equipment. No casualties were reported.

PRESIDENT SENDS 'SOLIDARITY' MESSAGE TO GARCIA

PA290151 Paris AFP in Spanish 0319 GMT 28 Jun 86

[Text] Bogota, 27 Jun (AFP) -- President Belisario Betancur sent a message tonight of "total solidarity and support" to his Peruvian colleague, Alan Garcia, who is facing a delicate situation after the death of several hundred guerrillas in that country. The text of the letter released by the Press Secretariat of the Presidential Palace is as follows:

"In the name of the government and people of Colombia, we would like to express to you our total solidarity and support in these times.

"The constitutionally elected government you preside over with dignity has a special meaning for our continent, because it is a reflection of the democratic nature of the Latin American people, which we must preserve and strengthen through respect for human rights and individual liberties.

"Your government, which has observed that conduct, has taken honorable decisions in view of the tragic events that recently took place.

"These decisions have shown the international community that the Peruvian constitutional regime is committed to acting according to its laws to preserve peace and punish those committing violations.

"I reiterate to Your Excellency the admiration and solidarity of the government and people of Colombia."

M-19 'WOULD ACCEPT' PAPAL MEDIATION IN TALKS

LD291735 Madrid Domestic Service in Spanish 1700 GMT 29 Jun 86

[Text] The secretary for international relations of the Colombian political guerrilla group M-19 has told Madrid radio that they would accept the mediation of the pope in negotiating a peace that included social reforms when the new president, Virgilio Barco, takes office in August. John Paul II is due to arrive in Bogota on Tuesday. The M-19 organization adds, in an exclusive statement to Madrid radio, that it is to submit hitherto unpublished evidence to the International Court at The Hague regarding the alleged responsibility of the Army in the massacre at the Palace of Justice in the Colombian capital.

PATRIOTIC UNION TO PRESENT DOCUMENT TO POPE

PA300005 Madrid EFE in Spanish 1545 GMT 29 Jun 86

[Text] Medellin, Colombia, 29 Jun (EFE) -- The Patriotic Union (UP), political party of the FARC, which is observing a truce with the government, will deliver a document to Pope John Paul II in Bogota on Tuesday, UP Coordinator Braulio Herrera has announced. Herrera, who is in this city in northern Colombia to attend a UP departmental meeting, said that President Belisario Betancur has invited the party to attend a meeting of the pope with the country's leaders at the presidential palace on Tuesday.

Herrera disclosed that in their document the UP and FARC express to the pope "our concern about the country's serious maladies, our concern for peace. We will ask him to make a contribution during his pilgrimage through the country so the peace process will continue to progress."

On Tuesday, Pope John Paul II will begin a 7-day visit to Colombia, during which he will make a tour that will take him to some 10 cities. He will meet with Colombian leaders at the presidential palace upon his arrival on Tuesday. During this event, the FARC expects to deliver a written document with the requests outlined by the UP coordinator.

Herrera said that in the document "we note that the peace process must be fundamentally based on a dialogue with all guerrilla movements, without exceptions of any kind."

According to Herrera, the document also states "the need to uphold the truce and the cease-fire as a real commitment of the Armed Forces to this process" and "stresses the country's urgent need to begin political, social, and economic reforms," which he also described as "overriding [determinantes] and fundamental."

The visit of the pope, the UP coordinator said, "has peace as its central theme. In this we concur with him and with the overwhelming majority of our people, who are Christian."

SALDIVAR ON URUGUAYAN TIES AFTER AIRPORT INCIDENT

PY272158 Asuncion HOY in Spanish 27 Jun 86 p 6

[Interview with Foreign Minister Carlos A. Saldivar by unidentified reporter on 26 June; place not given]

[Text] [Reporter] Mr Minister, what did the Paraguayan charge d'affaires in Uruguay and the Uruguayan foreign minsiter discuss?

[Saldivar] We have received no information from our embassy in Uruguay on the conversation you have mentioned. As soon as we receive this information we will comment on it.

[Reporter] News agencies have reported that because of what happened [alleged harsh tretment of two Uruguayan deputies during Domingo Laino's thwarted attempt to return to Paraguay] the Uruguayan Government could take punitive action. What kind of punitive actions would these be?

[Saldivar] We are not aware of any statement by Uruguayan Foreign Minister Iglesias. Let us not get ahead of events. First let us see what happens, and then we will comment.

[Reporter] He (Enrique Iglesias) made a statement this morning....

[Saldivar] But we do not know for sure. When we get this statement we will be very pleased to answer all your questions.

[Reporter] Is it true that the United States is about to withdraw the so-called preferential tax rates for Paraguayan exports?

[Saldivar] Nothing has been withdrawn, nothing at all. There is trade, and there are the regulations that the United States establishes for this trade. From time to time these regulations are reviewed and various relevant factors are taken into account to increase, reduce, or withdraw [the tax rates], according to the situation.

[Reporter] Are there any problems in our country that could prompt them (the United States) to take certain punitive actions against Paraguay?

[Saldivar] You all know that in our country there are no problems other than those caused by a few subversives. You all know about the peace there is in our country. Thus, I do not believe that anyone will be punished for preserving peace.

[Reporter] Could Uruguay levy economic restrictions on Paraguay as a result of the charges that its lawmakers have made?

[Saldivar] Let us see what happens first and then talk about punitive actions. Colonial control ended here in 1811, and we do not accept any kind of colonialism here.

Meets Uruguayan Lawmakers

PY271728 Asuncion HOY in Spanish 27 Jun 86 p 8

[Text] The Uruguayan deputies who accompanied Domingo Laino on his attempted return to Paraguay met yesterday with Foreign Minister Carlos A. Saldivar for a lengthy talk about the incidents in which they were involved at Asuncion's President Stroessner International Airport. The issues discussed have not been disclosed, because "we feel we should keep the matters discussed with the foreign minister confidential, since they were sensitive and also to help keep relations between our two countries normal," according to Deputy Roberto Asiain. When asked whether the foreign minister had received the formal protest of the Uruguayan Government, Asiain said that he did not know if such was the case.

Further Reaction

PY270327 Asuncion EL DIARIO in Spanish 26 Jun 86 p 8

[Text] The foreign politicians who accompanied Domingo Laino [Authentic Liberal Radical Party (PLRA) vice president in exile] in his frustrated attempt to return to the country have carried out immense activity in Asuncion. Yesterday they held a press conference and a meeting with the CEP [Paraguayan Episcopal Conference] Secretary General Msgr Jorge Livieres Banks. Moreover, former U.S. Ambassador Robert White held a private meeting with U.S. Ambassador Clyde Taylor. For their part, the Uruguayan legislators met with Uruguayan Ambassador Jorge Pacheco Areco. White returned to his country yesterday at 1500, while the Uruguayan legislators will stay in Asuncion until 27 June to meet with various national political sectors.

During a press conference yesterday, former U.S. Ambassador Robert White, one of those who accompanied Domingo Laino in his frustrated attempt to enter the country, said that "the information released by the Interior Ministry is not true. We did not do anything. Neither Laino nor any of the other members of the group that accompanied him did anything. We stepped off the plane, and there were no Paraguayan authorities present. There was no one from the U.S. or Uruguayan Embassies there. There were about 10 persons who mistreated us. They told us that we could step off the plane but that Laino could not. We told them that we were here to accompany the Paraguayan politician and that we wanted to speak to some authorities so that he might be allowed to step off the plane. They immediately began to shove us and hurt us.

Asked whether he believes he was a good official during his term as U.S. ambassador to Paraguay, White said: "I think I was a disciplined diplomat because I followed my government's orders."

Asked if the intention of those who accompanied Laino was to call attention to the fact that he is unable to enter the country, since they came despite an Interior Ministry ruling which reasserts that Laino may not enter the country, White answered: "Any citizen from any country has the right to enter this country. We, the friends of Paraguay, are aware that there are many people here who work for democracy and human rights; therefore, we accompanied Laino to show Paraguayans that there are people abroad who are working for the defense of human rights and that they are not alone."

Roberto Asiain, an Uruguayan deputy from the Colorado Party, noted that "it is not our intention to dramatize anything. It is not the intention of Uruguayan deputies to assume a heroic attitude. The objective of our visit is to accompany one of the last political exiles, Domingo Laino. We know him as a man who loves peace, who has a great capacity to unite people, and we believe that he can join the struggle to restore democracy in Paraguay."

The Uruguayan legislator said that the fact that he is part of the entourage that accompanied Laino "does not mean that we are interfering in the domestic affairs of Paraguayans; there are numerous international treaties that maintain that human rights is an extraterritorial issue, that is, it is not encompassed within geographic or physical boundaries. When we stepped off the plane, both Laino and the members of the group that accompanies him were subjected to physical attacks and outrageous insults."

He also said that "by insulting and hitting us they tried to make us react violently against them, and thus have some graphic evidence that we reacted violently. But they failed, because we did not do anything."

Asiain noted that yesterday morning he met with the Uruguayan ambassador to Paraguay to inform him officially of his charges against the Paraguayan Government so that the ambassador in turn might inform the Uruguayan Foreign Ministry about the situation.

At around noon yesterday the group of politicians met with Msgr Jorge Livieres Banks. At the end of this meeting, Livieres said that he was informed in detail about the objectives that led these politicians to come to our country.

The foreign politicians also went to the Interior Ministry, where they requested a meeting with Interior Minister Sabino Augusto Montanaro.

A high-ranking Interior Ministry source later explained that the meeting did not take place because it was granted exclusively to Robert White, as had been previously requested by the U.S. Embassy counselor in Asuncion, John Martin. When White was informed about this, he decided not to hold the meeting, and he and those with him decided to leave.

PATRIA Charges Interference

PY280200 Asuncion PATRIA in Spanish 26 Jun 86 p 7

[Editorial: "Undesirable Foreigners"]

[Text] The despised Robert White, in line with his background, came arm-in-arm with "Tovarich" Laino because, as you may remember, during his time as ambassador of the foremost atomic power in the world to the government of this peaceful country of courageous workers, he did not hesitate on any occasion or in any circumstances to show his special affection and close friendship with the bearded agitator in question and his relatives.

Apparently relations between the two are the same now as before. Earlier White had had sufficient arguments to demonstrate his familiarity with the "tovarich." Under any pretext, he used to go running to his house to offer him his solidarity and assistance.

Undeniable testimony of this has remained in the press, and there are even picures of White with the "tovarich," his wife, and children, in which Laino is seen pompously in the role he plays at the suggestion of the powerful diplomat (today former ambassador). White, by the way, planned the creation of the populist-front clique and offered it as a panacea against the antagonism that existed among Febreristas [Febrerista Revolutionary Party], Authentic Radicals [Authentic Radical Liberal Party -- PLRA] and Christian Democrats, when the convoy of irregulars have not yet thought of joining the "Mopoco's" subfaction caboose.

Renewing acquaintances of earlier times, Roberto Blanco -- excuse me, Robert White -- who publicly and boldly granted so much of his time to one certain politician belonging to the clique that abstained from voting (because the politician had no dealings with the participating parties), has now reappeared from the other end of the continent to head the small caravan of foreigners who have come from Montevideo as "invaders" or "intellectual goons." They came to break the backbone of the country's sovereignty, which has its legally established authorities and its laws. They intended to enter the country as though it were a conquered bastion. to unleash, as we know -- because it was planned -- an escalation of disorder and violence that would have been linked to the internal elections of the bitter subfactions of the "authentics" in order to enhance the "Laino faction," which has not prospered greatly under the "management" of Juan Carlos Zaldivar. They also intended to stop the advances of the "Saguier faction" [Miguel Abdon Saguier, leader of the Radical Liberal Party], which is resolutely seeking to defeat the "tovarich."

Nothing more could be asked for regarding the "comradeship" between White and the "tovarich" in view of the ties between them and the interests that they obviously share, but this does not explain the unusual invading interference of some Uruguayan, Argentine, and U.S. congressmen, who do not represent their governments or their people, who have other standards and levels to protect their close and friendly relations with Paraguay, who have stupidly agreed to play the role of tag-alongs. The presence of these congressmen was intended to raise more scandal, as part of the dirty plans of provocation to mar the image of Paraguay and its political reality. The truth is that Paraguay enjoys a climate of democratic liberties, restricted only by the demand to respect the Contitution and the laws. Out of respect for its institutional state of affairs, our country rejects any attempts at manipulation, regardless of where the attempt comes from or who makes it.

The foreigners who, acting like invaders, came along to clear the way for the brazen "tovarich," particularly his solicitous U.S. associate and friend, must be reminded of the American Declaration of man's rights and duties, which, in its Article 38, says: "An individual must not intervene in political activities which, under provisions of the law, are private to citizens of a state in which he is a foreigner." The conditions and circumstances of the "tovarich" are political, his motivations and objectives are political. But at least he was born in Paraguay, while the others who got mixed up in this "concoction" are foreigners who did not carry visas as permanent residents, temporary residents, tourists, or transients, wich are the only categories for admittance to the country under Law 470 on immigration. Nonchalantly and arrogantly, these foreigners came as participants in the political plan of a political individual who, at the political moment, came for a political purpose, using eminently political means of publicity and mobilization. Therefore, these foreigners, whatever their "credentials," have violated the principles of nonintervention and respect for the right to self-determination in the terms of Article 9 of our Constitution.

By the way, these principles are the same ones that were recently proclaimed by Uruguayan President Julio Maria Sanguinetti and Mexican President Miguel de la Madrid Hurtado, who quoted Paragraph 1 of Article 1 of the International Pact on Civil and Political Rights, which reads as follows: "All nations have the right to free determination. By virtue of this right, they can freely establish their political system and provide for their economic, social, and cultural development." And neither Mr Robert White nor the rest of the "tovarich's" tag-alongs are of Paraguayan nationality. Hence, they have nothing to do with Paraguayan politics, except to gratuitously offend the spontaneous cordiality and hospitality of the Paraguayan people.

NANDUTI OWNER MEETS WITH JUDGE OVER JAMMINGS

PY262356 Asuncion LA TARDE in Spanish 26 Jun 86 p 12

[Text] Humberto Rubin, the owner-director of Radio Nanduti, met this morning with Supreme Court of Justice President Dr Luis M. Argana to discuss the jamming that has been seriously affecting the popular radio station for several weeks. Upon leaving the office of the Supreme Court of Justice president, Rubin stated: "I am very happy."

In addition, Rubin expressed his confidence in justice and informed Dr Argana about the request for an injunction he filed in the courts. Rubin also informed the Supreme Court of Justice president on the increased jamming Radio Nanduti is experiencing.

Dr Argana told Rubin that court actions take time, assuring him that the problems will be solved throught the appropriate channels.

BRIEFS

AMBASSADORS TO ARGENTINA, BRAZIL -- Dr Miguel Angel Bestard will be the new Paraguayan ambassador to Argentina. The Foreign Ministry reported on 18 June that the Brazilian Government has approved the appointment of Dr Salvador Ruben Paredes as Paraguayan ambassador to Brazil. [Excerpts] [Asuncion HOY in Spanish 19 Jun 86 p 9 PY]

CHRISTIAN DEMOCRATIC YOUTH PRESIDENT -- During internal elections last week, Maria Angelica Fernandez, psychologist, was elected president of the Christian Democratic Party youth wing. [Summary] [Asuncion ULTIMA HORA in Spanish 23 Jun 86 p 10 PY]

GARCIA SAYS 100 LURIGANCHO PRISONERS 'EXECUTED'

Guilty To Be Punished

PY280232 Madrid EFE in Spanish 2234 GMT 27 Jun 86

[By Marisol Marin -- all quotation marks as received]

[Excerpts] Lima, 27 Jun (EFE) -- President Alan Garcia reported today that during the repression of the riots at the Lurigancho Prison "more than 100 prisoners, who had already surrendered, were executed by being shot in the head."

Alan Garcia today visited the prison, and on leaving the Industrial Pavillion where the Shining Path prisoners rioted, the Peruvian president stated that "it was horrendous crime with no justification at all." He added that the confrontation with the Republican guards caused between 15 and 20 casualties. The others were forced to leave through a narrow opening, and killed one by one.

He said that although this operation was carried out by the Republican Guards, all those responsible will be punished because no one will be exempt." Garcia stated: "Either those who are responsible go or I will go, because I am not going to remain silent or protect anyone. The investigations will be conducted to the ultimate consequences."

The president made these remarks to the press, in front of the Industrial Pavillion, in an extremely serious tone. He was accompanied by Prime Minister Luis Alva Castro and by Foreign and Interior Ministers Allan Wagner and Abel Salinas. Garcia Perez also told the reporters that the inmates had been murdered in the exact place where they were standing.

The Peruvian president added that those responsible for these crimes will not be sent to any special prison, but to the Cantogrande Maximum Security Prison, "with murderers who stand equally guilty."

Today, after the inspection, the president failed to refer to the Joint Command, and several times he repeated that he will not protect anyone.

Afterward, reporters, television cameramen, and photographers, invited by the president himself, entered the industrial Pavillion, to see for themselves "the horror" that took place on that night of 18 June. The pavillion is similar to a hangar, convering approximately 3,000 square meters, with no partitions or reinforced walls inside.

On the floor were the remains of mattresses, bed springs, papers, clothing, kitchen utensils, red flags, everything spread out in a great disorder, as if it were a huge garbage dump. There are about half a dozen skylights in the roof, and the walls are painted with Shining Path slogans, especially with the hammer and the sickle, and vivas to "President Gonzalo" and to the "People's Guerrilla Army." (President Gonzalo is Abimael Guzman, founder of Shining Path).

On one side of this great pavillion there is a rather large opening, through which the president and his entourage entered, followed by reporters. It is the same opening through which the inmates who had supprendered passed to be executed.

Prison Director Manuel Aquezolo noted that there were few blood stains inside that building, which shows that there were very few casualties inside the walls. He also reported that there were no weapons or flammable material, cement or strongholds. "This has not been used as a fortress," he categorically stated. Aquezolo pointed to the skylights and added that the rioting could have been controlled through them."

Meeting Held; Visits Allowed

PY290314 Paris AFP in Spanish 0242 GMT 29 Jun 86

[Text] Lima, 28 Jun (AFP) -- This afternoon President Alan Garcia had a very long meeting with Justice Minister Luis Gonzales Posada, Agriculture Minister Remigio Morales, and Deputy Interior Minister Agustin Mantilla. Nothing has been learned about what was discussed during the meeting, which was held at Government House.

Today at Lurigancho Prison, where more than 100 prisoners were murdered on 26 June by the police after they had put down a rebellion of the prisoners accused of terrorism, relatives were allowed to visit approximately 6,000 common criminals. Since the rebellion of the alleged members of Shining Path, which started on 26 June in three Lima prisons, the prisons have been under military control and civilians have not been allowed to enter. Moreover, some journalists, priests, and consuls from the countries that have citizens imprisoned for drug trafficking were allowed inside the prison. Today thousands of women, relatives of the common prisoners, entered the prison, and it has been indicated that tomorrow male visitors will be allowed to enter, which is the usual procedure. The visits are made far away from the British Pavilion, where the rebellion and executions took place.

Opposition Calls for Resignation

PY271934 Madrid EFE in Spanish 1548 GMT 28 Jun 86

[Excerpts] Lima, 28 Jun (EFE) -- The opposition in Congress has asked for the resignation of the Peruvian Government, considering that it was the politically responsible for the massacre in the Lima prisons which resulted in some 300 deaths.

Deputy Alberto Borea of the conservative Popular Christian Party accused the government of the ruling social democratic American Popular Revolutionary Alliance (APRA) of having no strategy for the antiterrorist struggle. Borea voiced his criticisms after Justice Minister Luis Gonzalez Posada reported on the 19 June repression of the mutiny staged by prisoners charged with terrorism, at the Lurigancho Prison, on the El Fronton prison island, and at the women's prison of Santa Barbara. The minister made his report before the Permanent Congress Commission which had summoned him.

Gonzalez Posada said that the government "gave no order to kill" in order to repress the riots, adding that the Joint Command of the Armed Forces had been entrusted with suppressing the riots, since Lima and its port El Callao, where the three prisons are located, were in a state of emergency. He assumed, however, together with all the cabinet, the political responsibility for the events but said that "our hands are clean and we have no jackal mentality." Deputy Borea continued his criticism by saying that "the Armed Forces were brought into a typical prison problem." He added that it could be assumed that the Armed Forces would not enter the prisons "to suppress the riots by waving handkerchiefs and squirting some jets of water."

In turn, United Left Congressman Gustavo Espinoza said that there was already a predisposition to exterminate those charged with terrorism and asserted that one of those killed in Lurigancho, Antonio Diaz Martinez, believed to be the Shining Path ideologist, had said the day before the events that they would all be killed. He also said that El Fronton was shelled in order to justify the number of killed, because the inmates had been killed before the shelling started, he said.

The APRA parliamentarians defended the government action and stressed the humanitarian and peaceful position of President Alan Garcia.

The opposition also proposed that a special legislative body be called in order to plan a general antisubversive strategy. The proposal was made in the Permanent Congress Commission by the Popular Christian Party, the United Left, and Popular Action.

Meanwhile, Lima was hit yesterday by a wave of attacks. A dozen attacks were made against banking offices; there was serious damage, but no victims. The attacks were made not only with explosives but also with incendiary bombs, and in the La Victoria district a branch of a well-known business was practically destroyed by fire. In Cusco, where a tourist train was attacked earlier this week, and seven people were killed and dozens injured, a bomb was defused. The bomb was placed in the Clorinda Matto de Turner School, where the "Rimanacuy" peasant meeting will be held.

Coup Attempt Denied

PY280238 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0126 GMT 28 Jun 86

[All quotation marks as received]

[Text] Buenos Aires, 27 Jun (NA) -- Antonio Gradoz Bertolini, Peruvian ambassador to Buenos Aires, stated tonight that his country's government "has presumably learned that high-ranking military officers have called in regional commanders for a meeting without the knowledge of President Alan Garcia, and if this is true, it means military insurbordination." In an interview with NOTICIAS ARGENTINAS, the diplomat said that "any attempt to disrupt institutional normality in my country will be firmly rejected by the Peruvian Government." He also stated that the Argentine Foreign Ministry "has placed itself at the vanguard of its Latin American counterparts to promote a large solidarity movement in favor of democracy."

An unexpected meeting is taking place tonight at the Foreign Ministry. The meeting was called by Foreign Minister Dante Caputo in order to evaluate the current situation of the Peruvian Government.

In a friendly but very firm tone, Gradoz said that the alleged lack of acknowledgement of presidential authority by the high commands of the military occurred after President Garcia this afternoon visited the scene of the incidents that resulted in the deaths of approximately 500 prisoners, according to reports disseminated by international press agencies. The diplomat reiterated that on that occasion the Peruvian president had promised a full investigation and the arrest and punishment of those responsible, no matter what post they occupied."

Referring to the rally that has been called by the UCR [Radical Civic Union] for tomorrow, the ambassador stated: "We are thankful for these demonstrations of solidarity of friendly countries, especially the immediate reaction of the Argentine Government and political parties."

He then expressed confidence that "what is happening in his country will go no further, and that the full obedience of the Armed Forces to the constitutional government will be re-established."

After an interruption in the interview, during which the ambassador contacted his Foreign Ministry in Lima just after 2200 [0100 GMT], he stressed that "there has been no coup in Peru" and attributed "the report about unrest in the Armed Forces to several consultations that the military commands in my country had presumably carried out."

Unrest Among Guards

PY282352 Madrid EFE in Spanish 1906 GMT 28 Jun

[Excerpts] Lima, 28 Jun (EFE) -- While the Peruvian Army is maintaining total silence and it is being rumored that Republican Guard superior director will resign, the poltical situation in Peru remains tense.

After the serious accusations by President Alan Garcia on 27 June regarding the Lurigancho Prison massacre and his promise that an investigation will be carried out "no matter who falls," the chief of the Joint Command of the Armed Forces has so far refused to make any comment to the media. General Monzon Arrunategui was approached by reporters after a military ceremony. He said: "There will be no comment today."

Unofficial sources have told EFE that there is unrest within the Republican Guard and that this organization has received the support of the Civil Guard. Some circles today have predicted the resignation of General Maximo Martinez Lira, the superior director of the Republican Guard, who on 27 June had a 45-minute meeting with President Alan Garcia at Government House.

Meanwhile, the rumors of a "coup" that have been received from Buenos Aires have contributed notably to the tension.

EFE has learned from reliable sources that the governing party, the Social Democratic APRA [American Popular Revolutionary Alliance], has addressed a message to friendly governments and political parties demanding solidarity in the case of an eventual military reaction. This message was immediately accepted by Argentina, where a march supporting Peruvian democracy was held today.

Military Chief Urges Support

PY300358 Madrid EFE in Spanish 0323 GMT 30 Jun 86

[Excerpts] Lima, 29 Jun (EFE) -- General Guillermo Monzon, president of the Peruvian Armed Forces Joint Command, today asked all Peruvians to defend the democratic government and advocated national unity. This has been the first public statement by a senior military official since President Alan Garcia's announcement on 27 June of his decision to severely punish those responsible for the deaths of more than 100 inmates accused of being terrorists during a riot in Lurigancho prison.

In a speech at a ceremony marking the 165th anniversary of patriot Jose Olaya's death, which was held at the Olaya memorial in the Lima district of Chorrillos, Gen Monzon called upon those Peruvians "who love their fatherland" to defend the democratic system.

According to the offical news agency ANDINA, the ceremony was presided over by War Minister General Jorge Flores Torres and was attended by the directors of the Police forces, including the Republican Guard director.

Foreign Solidarity Noted

PY300227 Madrid EFE in Spanish 0104 GMT 30 Jun 86

[Excerpt] Lima, 29 Jun (EFE) 8 -- The Peruvian Government, which in recent days has faced a difficult situation and internal tensions in view of its decision to punish those responsible for excesses in repressing riots in three prisons, has received messages of solidarity from Latin American governments and Spain.

Through written messages and telephone calls, President Alan Garcia has received expressions of support from presidents Raul Alfonsin of Argentina, Belisario Betancur of Colombia, Leon Febres Cordero of Ecuador, Jaime Lusinchi of Venezuela, and Vinicio Cerezo fo Guatemala, as well as from Spanish Foreign Minister Francisco Fernandez Ordonez. In the case of Argentina, the solidarity message was backed by demonstrations staged by several Argentine political parties outside the Peruvian Embassy in Buenos Aires.

In the meantime, the Peruvian Government has published its own version of the recent incidents in leading newspapers of Madrid, Brussels, and Frankfurt. In these reports, President Garcia denounced the excesses and announced his decision to severely punish those responsible for them.

EFE has learned from unofficial sources that the ruling American Popular Revolutionary Alliance had requested that friendly countries and governments express their solidarity with the Peruvian democratic government at this difficult juncture.

Garcia stated that he will go to the ultimate consequences "no matter who falls," and that no one will be exempt if he was involved in the excesses that claimed the lives of more than 100 inmates charged with terrorism in Lurigancho prison. This announcment provoked "coup" rumors in Argentina. Garcia said that those responsible for the mass murders were approximately 100 members of the Republican Guard, who have been jailed and who are facing an inquest. He added that "punishment of those responsible will go as far as it has to go," thus indicating that were people responsible at higher levels.

FOUR KILLED IN SHINING PATH AYACUCHO ATTACK

PY272148 Paris AFP in Spanish 1653 GMT 27 Jun 86

[Excerpts] Lima, 27 Jun (AFP) -- Peruvian authorities today reported here that four people -- among them three members of a family -- were executed by a Shining Path column in Ayacucho for not joining the armed struggle. They also reported that the political-military command on 26 June decreed a curfew in two provinces in Pasco Department. A Shining Path column on 26 June raided the town of Pampas in Cangallo Province, calling the people to the main square and delivering subversive harangues asking them to join the armed struggle.

The police reported that the Shining Path members took Julio Batista, his wife Patricia, and his son Santiago from their home and killed them in cold blood with submachineguns for not supporting and joining the Shining Path.

The police reported that the remains of Eudebio Cordova, who was killed by another guerrilla group, were recovered yesterday from the Canan rural property, 5 km from Ayacucho. The boy showed signs of strangulation and multiple trauma. The assailants, who dropped abundant subversive material in both locations, fled to the cordillera's higher areas while police patrols left to track them.

Elsewhere, the military authorities decreed a curfew in Cerro de Pasco and Daniel Alcides Carrion provinces, Pasco Department, 317 km southeast of Lima. The curfew will be in effect from 2300 to 0500 (from 0300 to 1000 GMT). This measure now encompasses four provinces because it is in effect in Lima and Callao provinces. An emergency state and military control are in effect in 21 provinces.

A communique states that the measure was adopted vis-a-vis the frequent terrorist attacks in the region, which has been under a state of emergency for 2 weeks, due to the escalation of subversive activities with casualties among Republican Guard members and soldiers. The source stated that shortly before the measure was issued strong military contingents were posted at strategic sites in the cities, public buildings, and mining centers.

In addition, for the first time, seven international religious groups held meetings at the UN headquarters in Lima to express their rejection of the wave of terrorism throughout the world. These meetings were part of the celebrations marking the 41st anniversay of the signing of the UN Charter. The above-mentioned event was reported by Aurelio Ruiz Minagorre, the director of the UN Information Center for Peru.

SHINING PATH PRINTING SHOP DISCOVERED, RAIDED

PY290252 Madrid EFE in Spanish 2249 GMT 28 Jun 86

[Text] Lima, 28 Jun (EFE) -- It has been officially reported that the Peruvian police have located and raided a clandestine printing shop of the Maoist organization Shining Path in downtown Lima. The printing shop functioned in an establishment called Editora Pedagogica Ascencio, and 500 pamphlets with Shining Path poems and 800 posters with the likeness of Abimael Guzman, founder and mentor of the Shining Path group, were found there.

Pamphlets with strategies for guerrilla warfare were also found. Alleged Shining Path member Juana Ibarra, alias Camarada Juana, and Juan Ascencio, owner of the printing shop, were arrested. Juana Ibarra was carrying a revolver. Two other Shining Path members escaped.

The police have reported that those arrested were printing pamphlets early yesterday morning. Apparently they intended to distribute them in the poorer neighborhoods of Lima.

DEPUTIES REFUTE LAINO CASE OFFICIAL VERSION

PY272226 Asuncion HOY in Spanish 27 Jun 86 p 8

[Excerpts] Yesterday at a press conference Deputies Roberto Asiain and Oscar Lopez Balestra distributed copies of the Foreign Ministry protest note that has been submitted to the Paraguayan Foreign Ministry.

The Uruguayan deputies also noted the great international impact that the incidents [connected with Domingo Laino's attempted return to Paraguay] have had at the international level. Deputy Asiain said that "this is shown by the fact that THE WASHINGTON POST on its first page and THE NEW YORK TIMES on its third page have published this story. I am certain that on his next attempt to return, Laino will be accompanied by many leading politicans from many countries who consider Laino's cause to be their own and who through solidary, effective, and militant actions wish to express their support for the Paraguayan opposition that seeks to restore democracy in Paraguay."

The Uruguayan deputy also referred to the letter that was published yesterday in newspaper HOY saying that "in view of the baseness of the dictatorship that feels that it is crumbling, that is isolated at the domestic level, and that is ashamed of international censorship, this letter does not deserve to be answered."

Asiain also referred to the report that they were the aggressors. He said: "The Interior Ministry under secretary has stated that we were not attacked, that we were the aggressors. It is my belief that if the under secretary has received such a report indicating tht we were the aggressors, then both he and the minister should immediately fire Mr Pastor Coronel [chief of the Investigations Department of the Asuncion Police] for inefficiency."

ARISMENDI RETURNS FROM CUBA, NICARAGUA, USSR TRIP

PY272245 Montevideo LA HORA in Spanish 24 Jun 86 p 1

[Text] After a tour that took him to Cuba, Nicaragua, and the Soviet Union, Communist Party of Uruguay (PCU) Secretary General Rodney Arismendi returned yesterday afternoon to Uruguay. PCU Executive Board members, led by PCU Assistant Secretary General Jaime Perez, relatives, lawmakers, and friends went to Carrasco International Airport to meet him. Arismendi arrived with his wife, Alcira Legaspi, who joined the PCU delegation that attended the 27th CPSU Congress. In the photograph, we can see Arismendi accompanied by a group of political leaders and relatives who went to meet him and his wife at Carrasco International Airport.

CHIARINO REACTS TO STATEMENT BY OFFICERS

PY280344 Montevideo Radio Carve in Spanish 0000 GMT 28 Jun 86

[Text] Defense Minister Juan Vicente Chiarino, in an exclusive interview with Radio Carve, has said that the possibility of an amnesty for officers and policemen is being discussed by the president and the leaders of the opposition.

The defense minister also revealed that a military court has been informed about a meeting held in a military club, where political statements were made.

Chiarino stated that he learned in the last few hours of a report sent abroad by an international press agency indicating that political statements were made in a military club for active durty and retired officers.

According to the international press agency, some officers said that the ideal time to leave the government would have been after the 1980 plebiscite and that under the current circumstances, the country is moving toward Marxism. In this regard the defense minister said:

[Begin recording] [Chiarino] I learned about this last night from the first press reports. Measures were immediately taken to investigate the report. This morning after details of the report were obtained, all the information was sent to the Military Supreme Court to investigate and reach a conclusion on the reasons for the meeting. First, attempts will be made to find out what kind of accusation was made, on what basis it was made, and whether the report is accurate. The court will summon all the officers who might be involved. Then a military judge will have to decide what to do. I have nothing to do with that, but I would like to say that since noon today, this case is already in the hands of the judge of the First Military Court, Colonel (Betancur).

[Unidentified reporter] Mr Chiarino, is this the second time that an event of this type has occured during the democratic government, or is it the first time that a report about active duty and retired officers making statements on the political situation of the country has gone abroad?

[Chiarino] You are a reporter, and you know that this is the first time that news of this type has gone abroad. I am not saying that this is important news. I personally believe tht the report has no significance. It seems to me that in the end, it is not going to be important because from the way it is presented, it does not seem important. Look, the military club is downtown on 18 de Julio Avenue and many people go there, and some may not even be aware that a meeting is taking place there. But then a reporter appears at the meeting and reports on the issues be believes are useful. This is all very strange. I am just using common sense about this. However, I may be wrong; they probably believe that what they are doing is very important. I personally do not think so. I believe it is a small group, of a type commonly found in all organizations. Officers are probably going to identify it because the information they could get could be useful.

[Reporter] Mr Chiarino, how are relations between your ministry, the Armed Forces, the executive branch, and the military commands?

[Chiarino] Relations are excellent. There are no problems of any kind. Every organization does its job. We in the Defense Ministry do our job defending the principles we set out to defend. We are fully aware of some of the problems in the Armed Forces, and some of those problems cannot be faced with the wrong attitude. We are sure that the best path we can follow is to defend the principles we set out to defend and to advocate understanding. We also know that there is understanding by government leaders of our proposals and position no matter how harsh they may appear.

[Reporter] The president said more than once that for this stage of the process it is essential to integrate the Armed Forces into the life of the nation. Has that process started or are we still a long way from seeing the Armed Forces as part of a democratic country?

[Chiarino] No, I do not believe we are a long way from that. I believe that the policies we have implemented in the Defense Ministry with my distinguished aides for the last 15 months were aimed at that goal, to integrate the Armed Forces into the life of the nation within the limits of the nature of the Armed Forces. [end recording]

President Orders Investigation

PY281250 Madrid EFE in Spanish 0150 GMT 28 Jun 86

[Text] Montevideo, 27 Jun [EFE] -- President Julio Maria Sanguinetti today ordered an investigation into the statement allegedly made by several military leaders who have criticized the government and rejected a possible amnesty for the cases of human rights violations. Defense Minister Juan Vicente Chiarino has stated that the military courts will handle this matter.

An international news agency yesterday disseminated a statement by a group of unidentified retired and active duty officers that criticizes the government. According to the news agency report, the military men said that "the government is giving way to Marxism" and rejected a possible amnesty for the officers involved in human rights violations during the military regime (1973-1985).

This statement was released 2 days after the top Uruguayan political leaders held meetings with Sanguinetti to seek a solution to the human rights violations issue. According to a congressional commission, 46 Uruguayan military men are involved in the "disappearance" of people.

BRIEFS

EXPORTS INCREASE -- During the first 5 months of 1986, Uruguayan exports grew 23 percent compared with the same period in 1985. According to a state bank report, Uruguayan exports totaled $311,480,000 for the period January to May 1985, while they totaled $382,293,000 for the same period in 1986. [Summary] [Montevideo EL DIA in Spanish 18 Jun 86 p 15 PY]

DE LA MADRID REMARKS ON DEMOCRACY, SOVEREIGNTY

PA290126 Mexico City XEW Television Network in Spanish 1300 GMT 27 Jun 86

[Excerpt] President Miguel de la Madrid said yesterday that the improvement of our democratic system pertains solely to us Mexicans; he rejected the infiltration of foreign ideologies that threaten our self-determination. During a working visit to Colima State, the head of state said that national sovereignty is a historical achievement of the Mexican people. Our reporter Raul Rene Trujillo reports from Manzanillo:

[Trujillo] President Miguel de la Madrid said that it is the duty of Mexicans to perfect our democratic system, but not through measures imported from one side or another of the world. He said that the right to self-determination will not be denied by the economic problems being faced by Mexico, by international tension, and much less by the lack of faith of a minority of Mexicans.

De la Madrid said that the right of self-determination is a historical achievement of the Mexican people. Mexicans have the indestructible right to decide our form of government, life, and democracy; a democracy, he added, that is not (?limited to) elections, but also adds substance to liberty, social justice, and the power of the people.

LABOR SECTOR DISCUSSES ECONOMIC POLICY

PA262010 Mexico City XHDF Television Network in Spanish 0300 GMT 25 Jun 86

[Text] Various sectors of the country have given their opinion on the encouraging economic development plan announced yesterday by Secretary of Finance Gustavo Petricioli and Planning and Budget Secretary Carlos Salinas de Gortari.

Fidel Velasquez, leader of the Confederation of Mexican Workers [CTM], has stated his approval for the program because, he said, it satisfies aspirations of the labor movement. He acknowledged that the plan will not resolve the crisis completely, but makes evident the fact that the government is facing the crisis in a responsible way.

The leaders of the country's peasant federations -- Mario Hernandez Posadas and Alfonso Garzon Santibanez -- have said that the agrarian sector feels optimistic about the plan because it calls for support for agricultural and livestock production. Fernando Gutierrez Barrios, PRI candidate for the Veracruz governorship, has said that in adopting this plan, Mexico has assumed an honest position by pointing out that it cannot pay more than it is capable of paying. Meanwhile, Claudio Javier Gonzalez, president of the Enterprise Coordinating Board, has said that the bases are being established for the recovery of our ability to grow.

University researchers Leticia Campos, Francisco Baez, and Francisco Hernandez have said that the measures that have been adopted are adequate for resolving our problems.

FRG'S KOHL ARRIVES, TO MEET DE LA MADRID

PA290256 Mexico City XHDF Television Network in Spanish 0130 GMT 29 Jun 86

[Text] FRG Chancellor Helmut Kohl arrived in Mexico today [28 June].

He will meet with President Miguel de la Madrid tomorrow. He is in Mexico to see the final World Cup match between his country's team and Argentina's team. He is accompanied by several former German soccer players and coaches. Interviewed at the airport, Kohl said that he will meet with President Miguel de la Madrid tomorrow.

[Recorded passage in German without Spanish translation]

He also said that his country wants to help Mexico with investments.

[Begin Kohl recording in German with simultaneous Spanish translation] I was here 2 yeas ago, and your president was our guest at the [words indistinct] last year. The two countries maintain excellent relations. Mexico is suffering under the current situation, as are many oil-producing countries. Two years ago I said something and have nothing to add it today: Mexico is a country with a great future. I am sure you will be strong enough to overcome this crisis. We want to help you as much as possible. [end recording]

GUATEMALAN DEPUTY MINISTER ON CONTRA AID

FL290330 Mexico City NOTIMEX in Spanish 0150 GMT 28 Jun 86

[Text] Mexico City, 27 Jun (NOTIMEX) -- Because of U.S. support to the Nicaraguan contras, Central America comes closer each day to regional war since the military presence will increase considerably. This was expressed today by Guatemalan Deputy Foreign Minister Francisco Villagran de Leon when asked about his country's opinion on the decision of the U.S. Congress to provide $110 million [figure as received] to the Nicaraguan counterrevolutionaries. Upon his arrival in Mexico City, the Central American official said his country's greatest contribution to regional peace is to not participate in international military exercises or support irregular forces to destabilize other nations since Guatemala is concerned about economic, political, and social stability in the isthmus.

During his interview at the Mexico City airport, the Guatemalan deputy foreign minister said the creation of a Central American parliamentary council does not have the goal of pushing the Contadora Group aside, much less Mexico, which has played an extraordinary role within that peaceful organization at all international forums. The parliament is a complement to the efforts of the Contadora Group foreign ministers from Colombia, Venezuela, Panama, and Mexico to help achieve peace, he added. In reference to Guatemalan President Vinicio Cerezo's visit on 2 July, Villagran de Leon said the Central American leader will meet with President Miguel de la Madrid to discuss the foreign debt problem, Guatemalan refugees, the Central American conflict, and bilateral relations. Cerezo is appreciative of all the economic and political support the Mexican authorities have given the Guatemalan people and Government, said the diplomat.

PANAMA'S ABADIA ON CONTADORA, U.S. TIES

PA281452 Paris AFP in Spanish 0405 GMT 28 Jun 86

[Text] Mexico, 27 Jun (AFP) -- Panamanian Foreign Minister Jorge Abadia said today upon his arrival on an official visit to Mexico that his country "wants to tell the world that Contadora is still willing to help find any type of peaceful solution for Central America."

Regarding U.S. aid to the Nicaraguan contras, the minister pointed out: "Contadora has repeatedly stated that any help to irregular forces in the area makes peace in Central America more difficult.

The Panamanian official said that he is very satisfied because "the United Nations and the OAS have given all their cooperation and support to the search for peace in the area."

Referring to Jesse Helms' accusations against Panama, Abadia emphasized: "This was the senator's personal activity and not the position of the U.S. Government; therefore we are free from all blame." He added: "Panama has already answered the U.S. Government in the proper way, and we believe that this will not have any great impact on relations between out two countries, no repercussions at the Latin American level."

The important official will meet Mexican officials to discuss bilateral economic and political topics.

SPAIN, BRITAIN, CANADA REDUCE OIL PURCHASES

FL271404 Mexico City NOTIMEX in Spanish 0322 GMT 27 Jun 86

[Text] Mexico City, 26 Jun (NOTIMEX) -- Spain, England, and Canada have reduced their imports of Mexican oil to 7 million barrels per month, it has been reported by the National Statistical Institute of the Secretariat of Planning and Budget.

The institute has reported that Spain has reduced imports from 8 to 4.7 million barrels, British imports dropped from 3.7 million to 800,000 barrels, and Canadian imports were cancelled. [all numbers as received]

The institute reported that exports to the United States have increased from the 1985 level of 16.7 million barrels to 17.1 million barrels. Monthly exports to Japan total 3.8 million barrels, which represents a 40 percent increase over 1985. The institute added that Brazil and Portugal have increased their purchases of Mexican oil; 360,000 barrels monthly are being delivered to Brazil and 913,000 barrels to Portugal. The institute reported that exports have also increased to Costa Rica and France, which import an average of 211,000 barrels and 1.8 million barrels monthly, respectively.

The institute reported no sales to FRG, Colombia, South Korea, Honduras, Nicaragua, and Romania, despite the fact that these nations were Pemex clients. It added that exports of Mexican oil to El Salvador, Guatemala, Israel, and Italy have increased slightly, and it is expected that the increase will continue in the coming months.

COINVESTMENT AGREEMENT SIGNED WITH FRANCE

FL271458 Mexico City NOTIMEX in Spanish 0420 GMT 27 Jun 86

[Excerpt] Colima, Mexico, 26 Jun (NOTIMEX) -- President Miguel de la Madrid has witnessed the signing of a 9-billion peso coinvestment agreement by Mexico and France for the processing of 24,000 tons annually of fish, principally tunafish.

Rafael Ibarra, director of the Colima fish enterprise, which will be installed thanks to this coinvestment, said the industrial complex will be located in Manzanillo on the Pacific Coast of Mexico and will sell its products to Europe.

The official said that Mexican investors joined forces with the French Alsthom firm in a demonstration of solidarity and mutual confidence, adding that the Colima fish enterprise will produce fish meal and oil in addition to various types of foods.

Banpesca [National Fisheries and Port Facilities Bank], Mexican fish products, the state project, which will create 600 jobs. [sentence as received]

15 LEBANESE 'PRESUMED TERRORISTS' ARRESTED

FL271520 Mexico City NOTIMEX in Spanish 2350 GMT 26 Jun 86

[Text] Reynosa, Mexico, 26 Jun (NOTIMEX) -- The border patrol has reported that it has arrested 15 Lebanese described as presumed terrorists who were attempting to reach U.S. targets.

The chief of the border patrol, Gerry Gutman, said the Lebanese were captured 2 miles from the Texas River when they were attempting to reach the city of San Antonio, Texas, to commit acts of sabotage in the United States. He said the presumed terrorists were transferred to the northern Mexican City of Monterrey, where their activities are being investigated. He added that some of them bore photographs taken with the Brazilian athlete Socrates in the western city of Guadalajara.

Gutman explained that the Lebanese had entered the country as tourists interested in the Mexican world soccer championship of 1986, for which reason they had visited Mexico City, Guadalajara, and Monterrey.

He stressed the fact that in the last 24 hours 50 workers without identity documents had been arrested in the area of Brownsville, Texas, USA, and in the northeastern Mexican State of Tamaulipas.

EDITORIAL VIEWS CONTRA AID APPROVAL EFFECTS

PA281819 Panama City MATUTINO in Spanish 27 Jun 86 P 4 A

[Editorial: "A Regrettable Victory of the Warmongering Policy"]

[Text] The American continent and the rest of the world -- greatly concerned over the imminent war threat that exists in the area -- have for some time believed that the prevailing difficulties will dash the hopes that the ghost of a regional war will once and for all disappear if the Contadora Group peace efforts succeeded.

The intransigence of one group, the malicious rejection of the other, the undermining actions from one side, and the calculated delay from the other, have exhausted patience with unfruitful discussions. At the end, under the auspices of those discussions, the efforts of those who, from the beginning, thought of giving the Central American confllicts a solution -- which is not really a solution -- signed with bullets, and sealed with death, prospered.

From the outset, Venezuela, Mexico, Colombia, and Panama have advocated the use of dialogue as a foundation on which a permanent and deeply-rooted peace could be built. That peace would have been sustained by by solving the socioeconomic and ideological problems that caused the violence in Central America. However, parallel to that action, other activities that apparently accepted the Contadora principles, were carried out. Some of them were used to take advantage of the truces reinforce arsenals, and strengthen positions. Others were used to convince many that the sole solution for those peoples shaken up by warlike violence is found in armed actions.

That is the line of thought and action that triumphed. With insistent tenacity, the U.S. President succeeded in getting the House of Representatives to approve his pampered goal of obtaining the authorization to earmark $100 million to help those who oppose the Nicaraguan Sandinist government.

Faced with that reality, a most serious concern emerges from the certainty that that aid will be destined to supply the contras with armament. That action will move peace farther and farther away from the long-suffering Nicaraguan people. The worst part of all this is that by increasing the number of dead the real aim of those of us who have a democratic ideology will not be attained. That goal is the implementation of the democratic system as a way of life, within a framework of work, respect, and peace. The goal is not to end up having a huge cemetery of the masses, nor of creating a reality of misery, endless hatred, and division within the Nicaraguan society, which would not be mended even centuries after the war among brothers who share the same roots, geographical location, history, names, experiences, and memories that are part of the flow that constitutes the homeland.

However, none of those things are important for those who chose war. None of those reasons matter to those who have already calculated the profits they will make from the $100 million. They do not care about the thousands of Nicaraguan victims, whether they be Sandinists of contras, who will die as a result of the conflict, which is now increasing.

All that is said, without taking into account that it will not just be our democratic system that obtains a higher level of support. Now the supporters of those communist centers located on the American continent -- Russia, far away but efficient, and Cuba near and efficient -- will go all out barefacedly, to counterattack the impact of that which is the potential triumph of violence, while Contadora falls back provisionally to wait for history's judgment.

ASSEMBLY RESOLUTION BACKING NORIEGA CRITICIZED

PA262209 Panama City LA PRENSA in Spanish 26 Jun p 1 A

["As of Today" column]

[Text] Yesterday, in another of its dawn strikes [madrugonazos], the Legislative Assembly's progovernment bloc showed once again that it has no qualms whatsoever about violating the constitutional order whenever it receives orders from the top that it cannot disobey. Although the Constitution and the assembly's internal regulations establish the principle of division of powers by forbidding the legislative branch from intruding "in matters that are within the purview of the other government branches," the National Democratic Union [UNADE] rushed to label the U.S. media accusations against General Manuel Antonio Noriega as "slanderous" and Roberto Eisenmann, the editor of this free newspaper, as a "traitor" in a questionable resolution, even though they have no conclusive evidence and are usurping the funcions of the judicial branch. What a sad role for the legislators. Their statements to support the resolution are so simple-minded that no parliamentarian worthy of the name would dare accept it in a democracy. Noriega emodies the fatherland and any legitimate questions of his actions constitute an attack against Panama; therefore, those opposing Noriega are not good Panamanians. This fascist view, befitting the most execrable dictatorships, is nothing new in Latin America. However, our people's thirst for liberty has always succeeded in burying it.

'MORAL DILEMMA' FACING U.S. ON NORIEGA CHARGES

PA272151 Panama City EXTRA in Spanish 27 Jun 86 pp 1, 2

[Editorial: "The Sad Truth, the U.S.-Panama Moral Dilemma"]

[Text] Publications practically all over the world have given extensive coverage to statements allegedly made by numerous U.S. officials and the senator who heads the very important Foreign Relations Committee. [as received] According to those statements, allegedly made by U.S. officials under oath before the Senate committee, General Manuel Antonio Noriega is involved in drug trafficking; money laundering activities; intellingence activities in which he simultaneously serves the United States, Cuba, and Nicaragua; the assassination of Dr Hugo Spadafora; and the supply of weapons to the M-10 guerrillas in Colombia. He is also being charged with unprecedented corruption and with ordering an electoral fraud to keep Dr Arnulfo Arias from reaching the Presidency as a truthful expression of the people's will. They are even suggesting that he participated in the assassination of General Omar Torrijos Herrera.

But the problem runs deeper, much deeper. It is a problem of fundamental morality involving the U.S. Government and the American people.

We know that in the United States both Republicans and Democrats have declared that drug trafficking and the subsequent money laundering are common enemies of the U.S. people, asserting that they threaten U.S. security. They say loud and clear that they are enemies of dictatorships and that only under democracy can one find the right climate for lasting international peace in which to fight corruption and communism by promoting each country's development and well-being on the basis of free and just institutions.

They launch an antidrug publicity campaign presided over by First Lady Nancy Reagan and use veritable armies to combat drug trafficking and money-laundering activities. They encourage and help peoples subjected to dictatorships -- most recently in Haiti and the Philippines -- to overthrow dictators and restore democracies, without even hinting that either Marcos or Duvalier were involved in drug trafficking, money laundering activities, espionage activities against the United States, or the sale of weapons to guerrillas in other countries.

The most important thing, however, is that the officials who reportedly have showered these charges on Gen Noriega allege at the same time that the U.S. Government had been aware of these scandalously criminal activities for many years. Reportedly it has been confirmed that these sources were also aware of the electoral fraud, and they have even provided figures. They admit that both the White House and Noriega fraudulently imposed President Nicolas Ardito Barletta. All this immorality and illegality, according to them, has been tolerated in exchange for secret information about Cuba and Nicaragua, provided to the United States by Gen Noriega.

Undoubtedly, the U.S. people will now ask, how does the U.S. Government morally harmonize its advocacy of democracy and its vehement fight against drug trafficking with the assertions about the crimes committed for 15 years, with the full knowledge of the U.S. Government, crimes which U.S. officials now blame on Gen Noriega? If these charges are false, there is no way to undo the damage done to Gen Noriega and the destabilization caused to the Panamanian economy. However, should the crimes charged and the fact that they had been known all these years turn out to be true, U.S. policy for Latin America might be summarized as follows:

"Messrs dictators, civilian and military officials of Latin America: You may remain in power and become wealthy through drug trafficking and the laundering of money, receiving our economic aid despite the damage you caused to our youth, as long as you occasionally collaborate with the CIA. To remain in power, you also have our permission to resort, with our knowledge, to assassination, corruption, the plundering of the vaults of state institutions, the selling of weapons to guerrillas in neighboring countries, and electoral fraud, all of which is forgiven with our financial aid so you may perpetuate the crime."

That and none other is the moral dilemma confronted by the U.S. Government and the American people. That is the sad, very sad truth. Should the publications about the Noriega case turn out to be true, and should it be equally true that the U.S. Government has known for years about these developments, there is something truly rotten not only in Denmark, but even more so in Panama, and , worse yet, still more rotten in the United States itself.

Costa Rica

AMBASSADOR SAYS NATION READY TO SIGN CONTADORA

FL271650 Mexico City NOTIMEX in Spanish 0015 GMT 27 Jun 86

[Text] Mexico City, 26 Jun (NOTIMEX) -- The superpowers are obstructing the peace-keeping efforts of the Contadora Group, and the signing of the peace document is a problem of responsibility or irresponsibility, Costa Rican Ambassador to Mexico Angel Eduardo Solano Calderon has said. In an interview, the former Costa Rican interior minister said in the name of his government that if Costa Rica had its way, the peace document would be signed tomorrow. He said that the final signing depends on the political will of the governments concerned and that Contadora continues to be the only forum for discussing the problems of Central America and its pacification. He added that for the past 3 years Contadora has been the only framework for dialogue, saying that, if it had not been for Contadora, there would have been a confrontation a long time ago.

The diplomat supported the principle of self-determination of the peoples and of dialogue to achieve peace and goals leading to progress and regional unity. He said his government and people have no domestic worries regarding disarmament or the arms race because we have no army or armaments, but we are interested in actions that guarantee the progress of the peoples within the framework of freedom.

Finally, he said that Costa Rica agrees with the position of the Group of Six. The search for disarmament and peace is a postulate that takes in the entire universe.

GOVERNMENT OPPOSES CONDECA REACTIVATION

PA282221 San Jose LA REPUBLICA in Spanish 21 Jun 86 p 6 A

[Excerpts] The Costa Rican Government does not agree with the reaction of the Central American Defense Council (Condeca), which the Honduran, Salvadoran, and Guatemalan Governments have advocated.

According to Public Security Minister Hernan Garron Salazar, the Condeca would not help achieve peace in the area. "I do not believe that any army organization can bring peace. We must try to achieve Costa Rica's being at peace and neutral, because that is something that our people and Oscar Arias' government want," Garron Salazar said.

General Adolfo Blandon, Salvadoran Armed Forces chief of staff, has said that this is the most appropriate time for the reactivation of the Condeca because, according to him, Nicaragua is a threat to the region. Meanwhile, Public Security Minister Hernan Garron has said here that the Arias administration will maintain its policy of neutrality in the armed conflicts of other countries, even should the rest of the Central American countries decide to reactivate the Condeca.

EL SALVADOR

OFFICIAL DENIES CUBAN EXILES DENIED ASYLUM

PA281951 San Salvador Radio Cadena YSKL in Spanish 2200 GMT 26 Jun 86

[Report on interview with Roberto Edmundo Viera, deputy minister of culture and communications, by reporter Oscar Venancio Ramirez; date and place not given]

[Text] Engineer Roberto Edmundo Viera, deputy minister of culture and communications, has said that he knows nothing about a report that six Cuban exiles had been in El Salvador and were denied political asylum. Upon being consulted about the capture by the Sandinist army of two Cuban mercenaries, who allegedly said that they received military training in El Salvador, the official made the following denial:

[Begin recording] I assure you that this is not true. However, you can undoubtedly also request the corresponding information from the respective military group. Nevertheless, I wish to firmly make it clear that El Salvador has maintained a neutral stand regarding the Nicaraguan issue. We have stayed out of the Nicaragua conflict. That has been our position and is the position that President Duarte maintains. [end recording]

In addition, Deputy Minister Viera commented on the pacification of Central America and said that Nicaragua should hold an internal dialogue with opposition forces. As for the $100 million in aid from the United States for the Nicaraguan counterrevolutionaries, he said that the position of the Duarte regime is to respect the decisions of any government.

[Begin recording] As a government, we do not wish to issue a position in regard to the U.S. Government action. We only say that each government makes its own decisions. We, as the salvadoran Government, as a government of Central America, are concerned about the peace in Central America and initiatives taken by Central Americans. Let us take the Salvadoran problem as an example. Here we know that the rebels receive logistical and military aid and equipment from abroad. It would be illogical for the Salvadoran Government to use this as an excuse to avoid making efforts to achieve peace in El Salvador; to make no effort to further the dialogue. Our decision is to make no excuses in the face of external problems, but to seek solutions to the Salvadoran conflict; to seek mechanisms such as the dialogue to resolve and humanize the conflict in order to achieve peace in El Salvador. [end recording]

Finally, he condemned the murder of EL DIARIO DE HOY sports columnist Orlando Valdes Aguilar. He worked at the the post office for 26 years. Valdes Aguilar was killed at noon today when he was about to enter his house in Santa Tecla.

FDR-FMLN REPLIES TO DUARTE ON DIALOGUE

PA280239 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 28 Jun 86

[Communique issued by the FDR Executive Committee and FMLN High Command in El Salvador on 27 June]

[Text] We inform the Salvadoran people and the international public that on 26 June we delivered to Msgr Arturo Rivera y Damas, as mediator in the dialogue between the FDR-FMLN and the Salvadoran Government, our reply to Duarte's proposal which was delivered to us through him on 20 June in Mexico City.

1. We (?heard) Duarte's public statement of 1 June 1986, accepting the third session of the dialogue.

2. On 3 June we publicly replied to Duarte, expressing our willingness to attend the third session of the dialogue as a continuation of the talks in La Palma and Ayagualo, for which we appointed a high-level delegation, which we announced on that occasion. The delegation, according to Duarte's proposal, would meet at the end of July or early August with government representatives in San Salvador. In a statement he made later, Duarte said that he would head the government's delegation.

3. It is our understanding that the third session of the dialogue has already been agreed to publicly by the two sides.

4. However, in Duarte's proposal expressed to us verbally by Msgr Rivera y Damas on 20 June, we found several differences and vague points as compared to the public statement. There is no mention of a possible date, agenda, or place; not is it said if Duarte will head the government's delegation. In the face of this unclear situation which creates confusion, we have decided to go by the public agreement already announced, and by the terms of our 3 June declaration.

5. With the purpose of further clarifying our proposal and facilitating the preparation and realization of the third meeting, we recommend that it be held on 30 July of this year, with the following agenda:

A. Commitment by the two parties to ensure a continuous process of dialogue until it ends in an agreement for an overall pluralist political solution that will guarantee peace with independence, justice, and democracy for El Salvador. This should be based on the proposals presented by the parties in La Palma and Ayagualo. A calendar and the necessary mechanisms should be agreed upon in order to carry out this process without interruptions.

B. Mechanism to incorporate the various national sectors through representative organizations in the discussion and search for a political solution in accordance with the La Palma agreement. Those sectors would contribute with viewpoints and propsals for a political solution in the process of dialogue between the belligerent parties.

C. Agreement on specific aspects for the humanization of war, such as the cases of prisoners, maimed, wounded, civilian population, hospitals, and medical and paramedical personnel, according to the Geneva Convention and its additional protocols on the subject.

6. We consider inadmissible the proposal of holding prior private meetings limited beforehand to the discussion of the Salvadoran Government's pretentions that we lay down our weapons and incorporate ourselves into the electoral process as Duarte, other government officials, military commanders, businessmen, and U.S. Government spokesmen have insistently mentioned. Such meetings would frustrate the aspirations of broad national sectors for a political resolution and peace. We understand the mediator's concern and interest in producing mechanisms that could ensure positive results. However, we consider that the private meetings in preparation for the public dialogue will make only sense after we have publicly agreed to discuss the proposals made by the two parties and those presented by the various national sectors, as well as to guarantee the continuity of the dialogue and to respect the agreements reached.

7. Considering the need for the various national sectors to obtain direct information in order to contribute to the search for a political resolution and peace, we propose the presence of observers from labor organizations, political parties, business associations, churches, and universities during the third session of the dialogue.

8. Finally, we believe that Duarte is obliged on this occasion to declare publicly whether he is willing to acknowledge the La Palma and Ayagualo agreements, and whether he is willing to discuss our recommendations and proposals for a political resolution, so that our people can have a clear picture of the real possibilities of future meetings. For our part, we are willing to discuss any government proposal, to hold talks before the people and have them judge our actions in this process.

In his 22 June homily, Msgr Rosas Chavez made tendentious and crooked statements consonant with his biased position, which we have criticized before, regarding the meeting between the FDR-FMLN delegation and Msgr Rivera y Damas in Mexico, which took place within a climate of mutual understanding and cordiality. We are not going to begin a polemic with Msgr Rosas Chavez, because we do not want to deteriorate or complicate the mediator's role, and we prefer to discuss the subject directly with Msgr Rivera y Damas, who we have asked for new and prompt meetings.

Once again we declare our firm determination to contribute to achieving a political resolution and a just and durable peace through dialogue and through our participation, as well as that of all the national sectors.

[Signed] FDR Executive Committee

FMLN General Command

El Salvador, 27 Jun 1986

GUATEMALA

CEREZO ON CONDITIONS FOR TALKS WITH GUERRILLAS

PA270027 Guatemala City PRENSA LIBRE in Spanish 26 Jun 86 p 3

[Excerpt] I would be willing to hold talks with the guerrillas as long as they lay down their weapons and express their desire to participate in consolidating our democracy, as any other political group, President Vinicio Cerezo said yesterday.

PRENSA LIBRE interviewed Cerezo regarding the manifesto made public by the rebels the day before yesterday, in which they ask the government to comply with five [as published] points, which include the (?discontinuation) of the Civil Defense Patrols, the organization of peasants, putting an end to violence, and developing a government in favor of the needy.

Cerezo replied: "If the guerrillas really want those things, they should lay down their weapons and participate politically. Now they have a right to do so, as long as they do not use violence." He added: Any group that rises up in arms within a democracy shows disrespect for the people. If they want violence to end, they should take the first step and participate in politics. They are free to participate here. If they want to hold talks with the government, as any other political group, they can, but first they must put down their weapons.

President Cerezo added that during his next trip to Mexico he will discuss matters of common interest with President De la Madrid, particularly the subject of Guatemalan refugees. Asked if he shared the theory that the refugee camps are used to support the Guatemalan insurgents, he replied: "What hapopens is that the guerrillas use some of the camps. Although this has not been confirmed, it could be true. In any event, the Mexican Government cannot be blamed for that situation."

CEREZO HAS 'TOTAL AND UNRESTRICTED' ARMY SUPPORT

PA292254 Madrid EFE in Spanish 2210 GMT 29 Jun 86

[Text] Guatemala, 29 Jun (EFE) -- Today, General Hector Gramajo, chief of the General Staff of the Guatemalan Armed Forces, said: "President Vinicio Cerezo has the total and unrestricted support of the Army." The remarks by the high military official dismiss reports of a "division between the civilian government and the Army," and the "threat of a coup d'etat" during the official visit that Cerezo will make to Mexico on 2-4 July.

Gramajo, who in the past few days has appeared as the leading figure of the Guatemalan Armed Forces because of his open criticism of the Christian Democratic government of President Cerezo, said: "The Army is supporting the democratic process." However, the chief of the general staff, in an interview granted to the DOMINGO magazine, a supplement of the local daily PRENSA LIBRE, said that government personnel "are not being totally effective," and that "a vacuum" exists. In this regard, he said that the Interior Ministry, whose head is attorney Juan Jose Rodil, "should be directed by a military man."

Gramajo said that the goals of the Army and of the civilian government are different, and that President Cerezo is aware of this. However, "he has political pressure, even from the U.S. Congress, which has conditioned its aid on Cerezo giving evidence that he holds the power in the country." Gramajo said that the Army "is only resolving the military problems," because there is "a group of politicians resolving the government's problems." The general affirmed: "There is no severe criticism of the civilian government, only a professional and objective observation, although some believe there has been a lack of respect."

Disagreement Denied

PA281359 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 26 Jun 86

[Passages within quotation marks recorded]

[Text] Government Minister Juan Jose Rodil Peralta today denied he has disagreements with Army Chief of Staff General Hector Gramajo, who made remarks last weekened about national security matters that would have marked the existence of a serious disagreement betwen the two men. Rodil dismissed this possibility today.

[Rodil] "No, there is no disagreement. First of all, let me tell you that, personally and professionally, I respect Gen Gramajo a lot and he and I are friends. We are dealing with an opinion, in this case of an active duty officer. As I have said a number of times, we must get used to the idea that if we live in a regime of freedom, people should be allowed to express their views and opinions. All Guatemalan citizens are entitled to express their views in the country. We are currently in a transition period. This entails a number of adjustments in the operation of civilian security organizations. I think it is healthy for officials to give their opinions, whether they are military, as in this case, or civilians, because this is how we shape the various policies. Honestly, I do not see any disagreement. I have heard an opinion, which I respect. Let me tell you that according to instructions I have received from the president of the republic, as the government minister, I hold close and very cordial official relations with the Defense Ministry. Personally, I am also a friend of many officers. Gen Gramajo is a close friend of mine."

The government minister, however, disagreed with Gen Gramajo regarding whether a military man or a civilian should be government minister.

[Rodil] "In truth, I feel that, under the circumstances, it is up to me to be government minister. I think any Guatemalan citizen, whether he is a civilian or a military man, could be government minister. Again you have twisted the statements. Should you be interested in a personal interpretation, I also agree with the commentaries made. An opinion has been expressed saying that, at this time, the president has deemed it appropriate to designate a civilian as government minister. At no time has this been doubted or criticized. This is why I tell you that the implication of such remarks belongs exclusively with the person who made the remarks."

President Vinicio Cerezo also denied the existence of disagreements between Rodil and Gramajo.

[Cerezo] "What differences? Theirs are varied opinions that occur in a democratic state. They were inteviewed. I did not have to participate in the interview. They expressed their views. There is absolute unity, yet this is a unity in diversity, as in every democracy. He is entitled to express his views and many of the things he said appear to me to be timely and appropriate, particularly his pointing out that there is a systematic stance against the military throughout the country. They are entitled to defend themselves, right?"

The president said that no change in his cabinet is contemplated

[Cerezo] "No change of ministers has been planned for the near future. At present, I find no reason for one.

[Unidentified reporter] "Gen Gramajo has hinted that the politicians are not managing the government well and that there are gaps and deficiencies. He also said that the military could fill such gaps.

[Cerezo] "That is your interpretation. I do not interpret it like that. He said that in the current process of adaptation there are some things that have not been done due to the very same process of adaptation and this is true.

[Reporter] "About the suitability of a military man occupying the post of government minister?

[Cerezo] "He said that some think this could be important, but Minister Rodil will continue as minister."

GROUP DEPORTED FROM HONDURAS PLOTTED COUP

PA272118 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 26 Jun 86

[Text] A group of Guatemalans who were recently deported from Honduras were organizing a rebel faction with the purpose of ousting the Jose Azcona Hoyo government, it was reported here today. The reports reaching Guatemala City say that the deported individuals arrived at a place known as El Florida in Capotan municipality, Chiquimula Department. It is now up to the Guatemalan authorities to decide on their situation, it was reported.

EXXON CONTRACTOR LEAVES EL PETEN; SECURITY CITED

PA272014 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 26 Jun 86

[Text] A petroleum company that had a subcontract for exploring in Guatemala has left the country, alleging lack of security in the area of El Peten where they were conducting operations. A total of 300 men will be left unemployed as a result of the departure of this company, the (?Geo Source, Inc), that was drilling wells for Esso International Company. However, Esso will continue operations in Guatemala.

Well-informed sources said that the company decided to leave the country because several company officials were attacked last week by some subversive individuals who set a helicopter on fire. "Here's the World" [title of newscast] tried this morning to interview the manager of the company leaving Guatemela but we were told he is in El Peten paying the workers who will be left without a job.

HONDURAS

GOVERNMENT SAYS CONTRAS MUST LEAVE COUNTRY

PA271530 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 27 Jun 86

[Heran Reyes report]

[Text] After the approval of $100 million for the Nicaraguan rebels, as the government of Ronald Reagan attempts to topple the government of President Daniel Ortega, the Honduran Government, through its spokesman Lisandro Quezada, has at last agreed not to allow the contras to remain in Honduran territory any longer because the United States approved the direct aid. According to international critics, Honduras had provided aid on orders from the U.S. President. Lisandro Quezada asserts that the Honduran president will keep his promise to remove the contras so as not to become involved in the Nicaraguan domestic strife.

[Begin recording] [Quezada] President Jose Azcona Hoyo has already decided that Honduras has no role to play in the actons by the contras.

[Reyes] He had said that he would remove or dislodge the contras from Honduran territory by whatever means. Do you think that with the arrival of the $100 million aid [word indistinct] Nicaraguans, the contras will definitely leave?

[Quezada] They have to leave. They no longer have any pretext to stay inside our border. They said that they were forced to flee the Sandinists, and entered our territory in zones which are not patrolled by our authorities. That claim is no longer valid. They must now enter into their territory and stay there. They have no pretext to come back here.

[Reyes] Does this mean a split between the Honduran Government and Armed Forces and the Nicaraguan counterrevolution... [station goes off the air]

Congress President Comments

PA271940 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 27 Jun 86

[Text] Carlos Montoya, president of the Honduran Congress, has said that the Nicaraguan contras should fight in their own country so that Honduras can maintain its neutrality. He also proposed an urgent meeting of OAS foreign ministers or that the 17th OAS meeting be renewed so that an inter-American peace force will be created to force Nicaragua to fulfill its commitments to the OAS. Here are Montoya's statements to reporter Jose Trino Murillo:

[Begin recording] [Montoya] We now believe that with those resources they can fight in their own territory to defend their ideas and Honduras can be at peace and not get involved in the conflict. Nevertheless, I think an OAS foreign ministers conference should be convened to seek a political solution before a confrontation leads to thousands and thousands of deaths in the region.

[Murillo] Why did you speak yesterday about the danger of a Lebanization in this country?

[Montoya] Because you know what can happen with a well-armed army of 15,000 men occupying our territory. I think there is national concern about this. I know that the Armed Forces are very concerned about this. We do not want those people in Honduras and the sooner they leave, the better.

[Murillo] Does this aid help to maintain our security system?

[Montoya] This aid forces them to fight. They cannot continue talking about a counterrevolution far from their country. They have to fight in their country because it is a problem that the Nicaraguans have to resolve. Nevertheless, from the politica standpoint, I think that the conference of OAS foreign ministers, I think it was the (?17th), should urgently meet. It was left open when te FLSN promised to undertake a pluralistic revolution. If we return to that plan, we can prevent thousands of deaths. There must be a political action by all Latin America to attain democratization in Nicaragua and a peaceful solution before the conflict degenerates into a tradegy with unforeseeable consequences in the region. We cannot even predict what consequences a large-scale East-West conflict in the Central American would have.

[Murillo] (?You say that) this aid forces the contras to leave the country, but how are you going to guarantee that this will be done?

[Montoya] Well, this is not the responsibility of the government alone. It is the responsibility of all the Honduran people. I think that the Armed Forces have the constitutional duty of watching over the territorial integrity and our full sovereignty. The military institution will have to see that this is done.

[Murillo] Have there been any talks about the way to force the contras to go back to their country?

[Montoya] Well, they will have to leave. If they are in Honduras, they will have to leave. If they are on the border, they will have to leave. Honduras cannot continue to put up with such a situation. I think that this aid will free Honduras from the presence of an army of displaced persons without resources which exerted a pressure that could provoke a bigger conflict for us [words indistinct] or the desire to take over a territory.

[Murillo] There is something we have forgotten to address. Do you think that as a result of this aid, Contadora has practically nothing else to do because the aid goes against the principles established in the peace act?

[Montoya] I think that when the signing of the peace act was rejected in June, Contadora exhausted all its diplomatic efforts. Contadora is exhausted. There must now be a Latin American initiative in the OAS to seek an urgent political solution.

[Murillo] Are you proposing this?

[Montoya] Well, we have proposed it. President Azcona proposed it to the OAS during his visit to Washington. The conference of foreign ministers would have to be reactivated so that the FSLN can fulfill the eight points it had promised to Latin America in the conference of foreign ministers whose sessions were not closed. It can be urgently convened to see if the Nicaraguan regime firmly promises to undertake democratization and national reconciliation, and to establish freedom, political and economic pluralism, and nonalignment. This would resolve this great conflict. Perhaps we would have to create an inter-American force to guarantee the fulfillment of those commitments and to prevent a confrontation between the two powers as a result of the ideological and political solidarity that both the U.S. and Soviet Governments give to those involved in this Central American crisis.

[Murillo] It seems that your position is similar to the one held by Costa Rican President Arias Sanchez, who said that Latin American solidarity is needed to resolve the Central American problems. This is interesting because this shows that there is an agreement of views by the governments.

[Montoya] All the freely elected Central American presidents want the Nicaraguan problem to be resolved peacefully and they want the forum of the OAS to be used. Otherwise, it would be very hard for the Central Americans to avoid an armed confrontationa and bloodshed which, as I told you, would have unforeseeable consequences.

[Murillo] But many people think that the aid worsens the Nicaraguan situation and therefore, the regional problem.

[Montoya] The aid creates military pressure on the Nicaraguan regime. It creates military pressure that forces it to negotiate if it does not want to get involved in a war. The amount is not what is important -- it could be $1 billion or any amount. The approval of the Congress signifies a political decision to support the Nicaraguan counterrevolution. It is the same as it was with regard to Vietnam. We have to look at history. The economic aspect in a decision of this nature is not the only thing. The significant thing is the political decision to support the Nicarguan counterrevolutionary movement and the strengthening of the freely elected governments of the continent.

[Murillo] Might another meeting of presidents be held to address this problem of solidarity? But not like the Guatemala meeting where no definite conclusion was reached about the regional problem.

[Montoya] There should rather be a request by the four Central American presidents to urgently convene the American foreign ministers to decide on the presence of an inter-American force in Nicaragua to guarantee the fulfillment of the eight points.

[Murillo] But do you propose a meeting of presidents first to discuss adequate mechanisms in this regard?

[Montoya] There could be direct consultations. There could be direct consultations this very day so that the four democratically elected presidents can jointly convene a conference of foreign ministers. [end recording]

FDN On Withdrawal Plans

PA282024 Panama City ACAN in Spanish 1952 GMT 28 Jun 86

[By German Reyes]

[Text] Tegucigalpa, 28 Jun (ACAN-EFE) -- The anti-Sandinist forces operating out of Honduras may leave this country when they receive the $100 million recently donated by the United States, it learned here today. A spokesman for the Nicaraguan Democratic Force (FDN) asserted that once they have sufficient military supplies, foodstuffs, medicine, and other necessities, they will leave Honduras to continue their struggle on Nicaraguan soil.

FDN spokesman Carlos Icaza said that 80 percent of their fighters are in Nicaraguan territory and 20 percent are in Honduras recovering from serious wounds or providing logistical support to the rest of the troops. During an interview granted by Icaza to the newspaper TIEMPO of San Pedro Sula, in northern Honduras, the rebel leader said that the FDN has over 20,000 fighters.

We warned that once the $100 million in aid which U.S. President Ronald Reagan was able to obtain is received, the attacks against the Sandinists "will no longer be by land" [ya no seran por tierra]. The number of fighters may increase to 30,000 or 40,000 because of the U.S. aid, he added.

The FDN leadership also expects desertions from the Sandinist People's Army [EPS] to increase. According to Icaza, 600 EPS soldiers deserted in May to join the "freedom commandos" grouped under the FDN.

The rebels are anxiously waiting for the arrival of the U.S. aid to carry out an offensive throughout Nicaragua with their 20 regional commands. The anti-Sandinists are using Soviet, Belgian, and U.S. rifles, RPG-7's, mortars, antiaircraft batteries, and combat planes. They also have transport planes of the DC-3 type, two Huey helicopters and small Cessna airplanes.

According to the sources, the contras function with a strategic command, a tactical operations command, and several regional commands, including the Nicarao, Segovia, Juan Castro, Alonzo Arias, Salvador Perez, Santiago Meza, Pedro Joaquin Gonzalez, San Jacinto, Quilali, 15 of September, Larry McDonald, and Jorge Salazar I, II, and III. The source also said that the relatives of the fighters have fled from Nicaragua and are now near the fighters' camps in Honduran territory. Icaza admitted that those groups of people represent a problem for the FDN because they have to be fed and given other type of assistance. In eastern Honduras there are more than 10,000 Nicaraguan refugees and a large number of people without identification papers, most of them relatives of the anti-Sandinist rebels.

During the past 4 years the Honduran Army and Government have been denying that there are counterrevolutionary forces in their territory.

ORTEGA SPEECH ATTACKS U.S. AID TO CONTRAS

PA280259 Managua Domestic Service in Spanish 0057 GMT 28 Jun 86

[Speech by President Daniel Ortega at a ceremony honoring people who will participate on 28 June in the march commemorating the seventh anniversary of the tactical withdrawal of Masaya; place not given -- live]

[Text] Today....[changes thought] On this date, at 0400, the U.S. Government's mercenaries attacked a peasant cooperative in Camoapa. What has been the result of this cowardly and criminal attack? Seven children were victims of this criminal attack. They were peasant children. Four of them died: 9-year-old Marlene Ortega Sandoval, 7-year-old Mercedes Ortega Sandoval, 5-year-old Juan Gabriel Hurtado, and a boy whose name has not been specified. Three children were wounded by the mercenary forces: 9-year-old Hilda Ortega Sandoval, 4-year-old Carlos Ortega Sandoval, and 3-year-old Elvin Ortega Sandoval.

In less than 30 hours, the world has learned about two decisions: one unjust decision, one brutal decision, one decision which gives strength to the mercenary forces' criminal activities so that they may continue to assassinate the Nicaraguan people, so that they may continue to assassinate the Nicaraguan children. In less than 30 hours, on the one hand, the U.S. Congress became involved in the criminal action that the U.S. President has been supporting against the Nicaraguan people. The U.S. Congress approved financial aid to the mercenary forces, the mercenary forces' military training, the delivery of weapons for the mercenary forces.

However, in less than 30 hours the Nicaraguans and the world also learned about an important, historic ruling: the International Court of Justice's ruling. It has unequivocally singled out the killer and the culprit. It has singled out the U.S. Government for its terrorist policy against Nicaragua. In less than 30 hours we have, on the one hand, an injustice. The U.S. Congress casts a vote on behalf of democracy and, on the other hand, we have justice. The people and governments of the world cast a vote to defend peace, to defend true democracy.

We are gathered here today, to begin this march to commemorate a withdrawal. The march to commemorate a withdrawal, on the Sandinist revolution's seventh anniversary, reminds us of the heroic actions carried out by the people in Managua to counter the Somozist dictatorship's attacks with the United States' support. So, when they began their withdrawal they were in fact beginning the march toward their definite victory over the Somozist dictatorship [word indistinct] Nicaraguan people's firm decision to struggle. Today, we reassert....[changes thought] today we renew their decision, their firm decision to fight and defend the revolution.

The revolution has been dealt a blow. The blow has also been dealt to the Latin American people and the Latin American governments which have always been interested in the achievement of peace -- the Contadora Group, the Support Group. The blow has also been dealt to the European, Asian, African and socialist community governments -- all the governments in the world which have demanded respect for the Nicaraguan people's self-determination, a peaceful resolution of controversies, and a dialogue between the United States and Nicaragua. The blow has been dealt by the U.S. Government and Congress, a Congress that was divided on its vote, but pledged by a majority of 221 to 212 votes to support the terrorist policy of the United States against Nicaragua.

What does this mean to the Nicaraguan people? It means that the activities of the mercenary forces will continue; that the mercenary forces will receive more weapons; that the mercenary forces will continue to stage attacks against the Nicaraguan people, children, peasants, and workers. This also means that the U.S. Government has practically declared war on Nicaragua. That is a war declaration against Nicaragua. However, besides this, and most dangerous of all, is the fact that the U.S. Government will directly and openly involve its military advisers. It will bring them to Central America to bleed the Central American peoples.

This also means that the United States will make great efforts to involve the Central American governments, particularly the Honduran, Costa Rican, and Salvadoran Governments, in an action against Nicaragua, which would fulfill Reagan's dream: to stage a military intervention in our country.

That is why the Congress also decided to approve $75 million to give to each Central American country. It appropriated $100 million for the mercenaries and $75 million for each one of the Central American countries. This means that the war imposed on us by the United States will continue and expand; that the terrorist actions will increase; that the danger of a military intervention by U.S. troops is greater today than before the approval of the $100 million. This demands of we Nicaraguans a greater determination to come to terms with this war.

If the U.S. Government is hurling itself against us openly, insulting the world to attack us, what resort do we Nicaraguans have? Is it possible to normalize the country's situation under these circumstances? Is it possible that the country will return to normality, that politicial pluralism, mixed economy, freedom of the press, which we have defended and continued to defend, will advance normally under these circumstances? Is it possible for the Nicaraguan Government to continue being tolerant and flexible? Is it possible that we continue to let the U.S. Government maintain a newspaper in this country....[crowd interrupts to shout "No!," "The cardinal to the stake!;" laughter, applause, chants slogans]

Will we allow those who are nothing but direct instruments of the U.S. Government's terrorist policy to continue to take advantage of our political pluralism? [crowd chants: "No!"] Will we continue to be tolerant with them...[crowd chants: "No!"] because they hold certain positions, hierarchies, or civilian titles? [crowd chants: "No!," slogans] This is the people's response.

The Nicaraguan who stays, he who loves Nicaragua, who loves his country, his people: Let him stay! Those who love Reagan should leave Nicaragua! [crowd chants slogans]

Those who love the counterrevolution and Reagan, those who have defended the counterrevolution and Reagan, who have spoken on behalf of the contras and Reagan in the U.S. Congress: Let them go to Miami and to Reagan; and if they are brave enough let them go fight in the mountains, let them go to the contra camps! [crowd chants approval] The people will be here, fighting them on our own turf! [crowd chants: "They shall not pass!," other slogans]

There is too much blood in Nicaragua, too much blood, too much sacrifice, too much grief in Nicaragua. The victims of the U.S. Government's aggression in these years are more than 29,000 of whom 16,416 are Nicaraguans who have been killed, 16,416 dead Nicaraguans. Of these 16,416 dead Nicaraguans, all of them victims of the U.S. Government's terrorist policy, 4,313 are Nicaraguans who have fallen defending the revolution and 12,103 are Nicaraguans who have been killed confronting our people as blind instruments of the U.S. Government's terrorist policy. But they are also the victims of this terrorist policy, of this aggressive policy.

There is too much blood, there is too much grief, there is too much sacrifice for us to continue to tolerate those who disrespect the Nicaraguan people, those who disrespect the blood of our martyrs and heroes, those who disrespect our laws, those who, on behalf of pluralism and the freedom of the press, try to open a domestic front in favor of the U.S. Government's terrorist policy. [crowd chants slogans: "But we know where they are;" "When the invision comes, they will be the first to fall"] We continue to defend political pluralism we continue to defend the freedom of the press. The measures that have been taken here against Reagan's newspaper have been to suspend it for an indefinite time. [crowd applauds and shouts] What does this mean? What does this mean? [repeats himself] Well, we have not confiscated facilities (?due to Reagan). No, we have not burned them either. [Laughs] If Reagan wants to have a spokesman in Nicaragua, do you know what he has to do? Cease the aggression, end the war against Nicaragua, because we do not fear the civic struggle, we do not fear the ideological struggle, we do not fear the political struggle. In this terrain, we confront Reagan's ideologists whom we are willing to confront within our country's political pluralism.

But, under these circumstances of aggression, of war, you see the instruments to spread imperialism, instruments of death, to defend terrorism, to defend crimes against our people. You see some political parties and religious leaders who have become instruments of the U.S. Government's terrorist policy. Then, under these circumstances, we will not be so naive as to accept this civic struggle, because there is no such civic struggle, there is a war on here, and war must be responded with war. [shouts, slogans]

If Reagan loves LA PRENSA so much, and he loves so much some political parties and some trade unions that are but political groups such as the COSEP [Higher Council of Private Enterprise], and if he loves so much some cardinal or some bishop [shouts], if he wants all these people to move in full freedom in this country, then let Reagan contribute so that our country lives in normalcy, end the war, cease aggression against our people, and then there will be normalcy. Then there will be no problems with these gentlemen. Perfect, he could be White House chaplain. [catcalls and shouts, applause]

We respect and will continue respecting our people's religious beliefs and practices, but we are not going to deceive ourselves or accept the political actions of those who are helping the criminals to kill our people. We believe in the freedom of the press and we will continue to defend it, but we are not going to let those who are nothing but spokesmen of the terrorist policy of the U.S. Government to do as they please. We defend the right to organize in this country of any political or ideological belief, but we are not going to allow them to take advantage of this right, to turn some of these rights into instruments of those promoting the terrorist policy of the U.S. Government against Nicaragua.

That is the situation we are facing. We did not look for this new situation. We proposed and continue proposing peace to the U.S. rulers. We accepted the Contadora Group's positions and efforts. A few weeks prior to the U.S. Congress' voting, Nicaragua made very specific proposals for the discussion of the armament issue, armaments that can be described as negotiable armaments. We also presented a list of weapons with the purpose of negotiating them.

Under those circumstances, under those circumstances [repeats himself], this can even represent a risk because the U.S. Government's reply to Nicaragua's peace initiatives, the U.S. Congress' reply to the Contadora and the Lima Group's proposal was to approve the $100 million for the mercenary forces and the $300 million for the Central American governments. What for? To intensify the war against Nicaragua.

We have the right and the moral obligation -- the FSLN National Directorate, the Nicaraguan Government -- we have a duty toward our people, we have the duty to supply all the Nicaraguan people with all the necessary armaments to be able to defend this revolution. [shouts]

The decision adopted by the U.S. Congress -- which let the U.S. Government and, above all, President Reagan blackmail it -- is not shared by the American people, because the American people do not want a war with the Nicaraguan people. They are people who want peace. The American people are a peace-loving people, they are not a war-loving people. With this decision, with the tacit approval to bring U.S. military advisers to the area to train the mercenary forces, they are endangering the lives of those U.S. citizens, because they can be absolutely sure -- even running the risk of having Reagan replying to us with a bombing or an invasion -- that if those mercenaries get in our way, we will, we will [repeats himself] [crowd shouts: "annihilate them] fight against them, and they will die. [crowd shouts: "Here and there, Yankees will die]

We do not want, we do not want to kill U.S. people, but if they are sent here to die, they will die here, whether they come here as advisers or as part of the Yankee invading troops, they will die here. In the same way the Somozist guard was defeated, the imperialist intervention will be defeated. [applause, crowd shouts slogans]

We will continue defending peace, we will continue defending peace. [repeats himself] [applause] We will continue defending peace, we will continue defending peace following international legal order. And today, we are stronger than the U.S. Government, despite all its economic and military power. We are stronger because we have morals, reason, and justice on our side, and that was stated by the International Court of Justice. We will continue struggling for peace, always resorting to dialogue and negotiation with the United States. But the best defense of peace, the best defense of peace [repeats himself] begins here in Nicaragua. It begins with our permanent disposition, with the permanent disposition of the entire Nicarabuan people, of all the honest citizens, with the permanent disposition to defend this country, to fight aggression, to strengthen the workers' unity, to strengthen all the nation's unity, to continue fighting in every front and trench -- the economic, military, and cultural fronts. We will continue to fight in every trench; we will continue to fight with the spirit, tenacity, and heroism of the soldiers who rose in revolt in Managua and in our entire country on 18 and 19 July.

We will continue fighting with the firmness of our heroes and martyrs. We will continue fighting with Sandino's and Carlos Fonseca's determination and example. We will continue fighting until victory or death. We will continue fighting for this homeland. Free fatherland or death.

Ramirez News Conference

PA272131 Guatemala City Teleonce Television in Spanish 0300 GMT 27 Jun 86

[Report on news conference held by Vice President Sergio Ramirez Mercado with unidentified reporters in Guatemala City on 26 June -- passages in quotation marks recorded]

[Text] [Ramirez] "In the first place, I wanted to say that allocating these resources constitutes a flagrant violation of international law and principles of justice, which must guide international relations.

"From the start, we said that we did not give the U.S. Congress -- much less the U.S. Government -- the right to propose and discuss support for mercenary forces who want to destabilize and topple the Nicaraguan Government.

"In the second place, the approval comes at a time when the Contadora Group is making in its most important peace efforts, when the Central American governments have received a specific peace proposal from the Contadora Group has conducted on behalf of eight Latin American countries and the Latin American commitment."

The Nicaraguan vice president had harsh words for the U.S. aid to the contras.

[Ramirez] "Greater suffering for the Nicaraguan people, greater limitations, greater shortages, greater difficulties: We are financing this war, which is already in its fifth year with the sweat and work of our people. We ourselves have been waging this war. We are waging it on the battlefields, in factories, in the rural areas, in agricultural and livestock production. Nicaragua is not a rich country. Nicaragua is a poor country that must face the most powerful nation in the world. I feel that this is the fact that must be basically considered. This is not an East-West struggle. If it were an East-West struggle, it would obviously be much easier for us.

"This is a difficult struggle because an impoverished and small nation is facing a huge power capable of printing dollars at the U.S. mint, which is the world's central bank. [6-second break in transmission] we have to generate wealth to (?subsidize) this war with the [words indistinct] the sweat of poor Nicaraguans. This is the great injustice and atrocity this aggression implies. However, this is an aggression against one people.

"The people of Nicaragua have never in history gotten down on their knees. We have been fighting against foreign intervention since 1856, and we have over 100 years of experience in enforcing our rights as a sovereign people. There will not be any economic difficulty, shortage, or hardship that will make us forsake our effort to defend a free and sovereign country in Nicaragua."

The Nicaraguan vice president warned that the U.S. Government action may lead to conflict in the area.

[Ramirez] "The United States has imposed a tragic mistake and a historic blindness. President Reagan was able to sway certain undecided congressmen over to his extremist and radical side, paving the way for a dangerous U.S. Government involvement in a conflict or in an already explosive region in the world such as Central America. Each extra dollar the United States invests in financing the counterrevolution or in bringing weapons -- even heavy weapons -- like the ones the counterrevolution will receive starting in October, just adds fire to a powder keg that has already been ignited in Central America; increases the risks of widespread conflict, and courts the risk of Vietnamizing the Central American region. This blind and reckless attitude is bringing those risks to Central America."

PLI Leader Reacts

PA271332 Panama City ACAN in Spanish 0342 GMT 27 Jun 86

[By Filadelfo Martinez]

[Text] Managua, 26 Jun (ACAN-EFE) -- The approval of the $100 million for the contras gives the Sandinists leeway to continue their plans for the "total" militarization of Nicaragua, a ranking member of the opposition Independent Liberal Party [PLI] said today.

PLI President Virgilio Godoy said that the Sandinists will also continue their military buildup based on the allegation that the aid appropriation constitutes a form of aggression. Yesterday, after a lengthy and heated debate, the U.S. House of Representatives approved by a vote of 221 to 209 the proposal introduced by Republican Michael Edwards.

Godoy said that the outcome of the congressional vote means that war will continue in Nicaragua at higher levels than the prevailing ones. "The country will continue to bleed and to destroy us because the Soviet Union will furnish the military means the FSLN asks them for," Godoy explained.

The PLI is one of the seven Nicaraguan political parties that are represented in the national constituent assembly.

Virgilio Godoy said that now the Sandinists will be able to claim "for an indefinite period of time" that their government's administrative ineptness, the professional incompetence of its officials, and the recurrent failure of its economic policies "is the result of the support" for the anti-Sandinists.

At the same time the FSLN will attempt to claim that the generalized shortage of products is solely caused by this situation, the political leader, who is a deputy of his party to the National Assembly, added.

According to Godoy, Wednesday's developments will be used by the government as justification "to repress with more intensity" the country's peaceful, civic organizations.

The political parties, professional associations, trade unions, and the church will all be targets of repression "to eliminate all expressions of dissent and approach their dream of a single party imposed by force," Godoy said. The Liberal leader said there is no possible military solution to the Nicaraguan conflict. He added that is why the PLI will redouble its efforts, together with the other political parties, to seek a negotiated soluton to the crisis "among Nicaraguans."

We will work to achieve a national reunification that will force the superpowers to vacate the space they have been occupying in this conflict, which has gone on for too long, Godoy warned. He pointed out that this situation is particularly punishing for the country's youths and peasants, who are in the theater of war, and to the poorer sectors of Nicaraguan society in general.

LEADERS APPLAUD DECISION RENDERED BY ICJ

Ortega Remarks

PA271330 Managua International Service in Spanish 1246 GMT 27 Jun 86

[Text] It is a political and moral victory that gives us strength to resist the aggression. It is a victory of the Nicaraguan people. This is what Commander of the Revolution Daniel Ortega Saavedra, the Nicaraguan president, stated when he learned of the ruling issued by the International Court of Justice.

Listeners of the international transmission of the Voice of Nicaragua, here are President Ortega Saavedra's remarks:

[Begin recording] This is very important for Nicaragua, the peoples of the Third World, the nations that are members of the Nonaligned Movement, and the Latin American peoples. It is a victory for the Nicaraguan people and a recognition to their tenacity and confidence vis-a-vis international law and justice. I talked with Father Miguel D'Escoto early today, and he gave me the details of the 16 points. In addition, he also gave many details in the interview he granted to the Voice of Nicaragua. We must recognize Father D'Escoto's personal effort in all this at the court and on important matters of this International Court trial. We must also recognize the work of the team of U.S. and Nicaraguan lawyers who did a truly extraordinary job.

The important thing here is that only a few hours after the U.S. Government and the U.S. Congress approved the financing of the mercenary forces and practically declared war on Nicaragua, at dawn today the International Court of Justice condemned this decision made by the U.S. Congress and President to continue the war against Nicaragua and the financing of mercenry forces (?thus involving military actions) in the terrorist policy against Nicaragua. Therefore, it is clearly being shown to the world that justice is on the side of Nicaragua and the U.S. Government has become, as of this moment, an outlaw government. They have become criminals unless they heed the Court's ruling, which urges them to stop the aggression against the Nicaraguan immediately.

Consequently, this is a very important victory. It is a political and moral victory that gives us greater strength to resist, fight, and defeat the aggressive and terrorist policy of the U.S. leaders. It will certainly result in a greater militant solidarity from the peoples of Latin America and the world. It will also result in a solidaristic recognition of the Nicaraguan people's struggle by the serious and responsible governments of the international community.

This is all I wanted to say, and I also wanted to congratulate the Nicaraguan people because it is their victory most of all. [end recording]

D'Escoto Interview

PA271325 Managua International Service in Spanish 1204 GMT 27 Jun 86

[Interview with Foreign Minister Miguel D'Escoto Brockman by unidentified reporters at the International Court of Justice at The Hague -- live relay]

[Text] [D'Escoto] We have just witnessed something the entire world must consider a victory for peace, a victory of all the Third World countries, a victory for Latin America, and even a victory for the U.S. people and all the peoples who want peace. Today the hopes of the peoples who want justice through peaceful means have undoubtedly been strengthened. The International Court of Justice has clearly and definitely defended Nicaragua's rights to life, peace, self-determination, independence, and has very clearly condemned the illegal use of force by the United States against Nicaragua. The Court has viewed this from the viewpoint of common law, the Law of Treaties, and international humanitarian law. By all means there has been a clear and categorical condemnation and an appeal to the United States to cease its illegal policy and immediately get together with Nicaragua to begin studying the means to compensate Nicaragua for so much damage and suffering caused to our people.

[Reporter] Father Miguel: What are the highlights of this legal ruling by the International Court of Justice, which we are all celebrating early this morning in Managua?

[D'Escoto] Actually, there are 16 points that were voted on, and Nicaragua has won all points by an overwhelming majority. As I have said, the important part is that the United States is condemned for having made illegal use of force, for having meddled in the Nicaraguan affairs. The ruling also rejects the plans of the U.S. Administration to justify its actions by saying that it was making use of the right to collective self-defense. It is clearly stated that Nicaragua is not a threat to any country, and the United States is ordered to discontinue this illegal action and begin talks to compensate Nicaragua. Those are the basic points. As I have said, the language used is very clear, is very categorical, and it defends Nicaragua's right to determine its own political, economic, and social destiny, based on the wishes of its own peoples, and rejects the alleged rights of the United States to meddle in the internal affairs of our country or any other country to impose the political, economic, and social measures that the United States wants.

[Reporter] Father, there are people trying to play down this ruling by saying that the United States previously warned that it would not accept the International Court of Justice rulings on Central American affairs, in general, and specifically on Nicaraguan affairs. In light of international law, can you explain the importance of that ruling, which we believe is unprecedented in the world?

[D'Escoto] I believe that only those who are extremely ignorant, to say the least, can claim that this ruling is irrelevant merely because the United States has tried to disavow the jurisdiction of the court. In the first place, anyone having a minimum of education is fully aware that the Court is the organization that must decide whether it has power to handle such a case and if it falls within its jurisdiction. The court has already decided on this. The fact that the United States then decided -- predicting that it would be condemned -- to disavow the jurisdiction of the Court cannot affect this case in any way. Disavowing the Court's jurisdiction cannot be enforced in a retroactive manner.

Undoubtedly, the United States is compelled to abide the ruling of the Court. Nicaragua hopes this ruling will force the United States to reconsider its policy of state banditry and state terrorism, and will then decide to join the nations that respect international commitments and the ruling on civilized coexistence. Nicaragua also hopes that the United States will then give up -- once and for all -- its covert war policy. If the United States does not do this, then there are several alternative Nicaragua may use to continue insisting on achieving peace by abiding by the law.

[Reporter] Father, the ruling says that the United States must make reparations for the damage done. The International Court of Justice will decide on the amount and manner of reparations, in the event the two parties do not reach an agreement to this effect. In other words, the amounts must also be determined by the International Court of Justice, in the event the United States decides not to make reparations for all the damage done?

[D'Escoto] Precisely, or if in the event the United States decides to consider the possibility of paying indemnification, and what the United States offers is entirely unsatisfactory. In this case, if the bilateral negotiations fail, the Court will then decide on this.

[Reporter] Father, what steps will folow? We understand that you are leaving for New York today.

[D'Escoto] I am leaving right now for the airport. As you know, this month I am celebrating my 25th anniversary of priesthood. The father superior of my order, the Maryknolls, is summoning all of us to our home in New York. That is, he is summoning all of us who were ordained together 25 years ago. I am going to arrive a little late, as the celebrations begin 3 hours before I arrive in New York. However, I will be there all day tomorrow and Sunday, when we will celebrate a high mass at noon. Following that, I will immediately go to the city and will meet with the UN secretary general and the acting chairman of the UN Security Council. After that, I will leave for Nicaragua.

[Reporter] By the way, Father, about 25 years in priesthood: Just a few months ago, and about this same time -- it is 0550 [time as heard] here -- Father Miguel D'Escoto Brockman began a 15-day walk for peace along the Stations of the Cross. Together with the peasants, workers, students, women, elderly, children, they all prayed for peace and life in Nicaragua and Central America. What can the priest and foreign minister -- Miguel D'Escoto -- tell those thousands upon thousands of companeras and companeros, from Jalapa to Managua, who accompanied him and all of our people in these Stations of the Cross for peace and life? Today, from the International Court of Justice, what can Father and Foreign Minister Miguel D'Escoto Brockman say?

[D'Escoto] In the first place, I want to say that the sacrifices and prayers of all those peasants and workers -- including those elderly people and children who could barely walk from Jalapa -- were a clamor that was not ignored by God. This victory is their victory; it is the victory of all the people of Nicaragua, a people who will always defend to the very last consequences its sovereignty and independence, but which wants to live in peace to develop our country and meet the needs of our people. This has been the victory of all those people who accompanied us, and all of the people of Nicaragua who are fighting, who are defending -- weapons in hand -- its sovereignty and independence; as well as of the people who are praying and begging for peace. This is a victory of all the people, and we are united with all of them in a spiritual manner in this moment of joy, although we know that the United States insists on its aggression.

We must remain alert, because although this has been a victory for peace, peace has not yet been achieved in Nicaragua because the United States continues with its warmongering stand. The United States continues insisting on ousting our government and destroying our revolutioin, precisely because this revolution demands the right to independence. That is what the United States does not want to admit.

LA PRENSA DIRECTORS ON NEWSPAPER'S CLOSURE

PA272308 Paris AFP in Spanish 2054 GMT 27 Jun 86

[Excerpts] Managua, 27 Jun (AFP) -- The indefinite closure of the opposition's newspaper LA PRENSA, which was ordered Thursday by the Sandinist government, is a "black moment for the Nicaraguan people," its directors said today.

Violeta Barrios de Chamorro, president of the newspaper's board of directors and former member of the Nicaraguan government junta, said that "we always warned that on the day LA PRENSA was suppressed, the last breath of freedom would be extinguished in Nicaragua."

During a press conference, Barrios said that "the frequent dreadful threats against the evening newspaper have come true, and we believe that distressing days are ahead for our people."

In justifying the drastic measure against LA PRENSA, the Interior Ministry said that the newspaper "acted as a spokesman for the interests of the aggressive power (United States) and has been increasing the level of its provocations and misinformation, trying to justify the U.S. aggression and denying the Contadora Group's (Colombia, Mexico, Panama, and Venezuela) capability to bring peace to Central America."

The daily's directors said that by closing the newspaper, the government "is showing its inability to coexist with a free news media, even though the daily has been brutally muzzled." They insisted that the recent editions contained "balanced" materials, rejecting the government's accusations. "What they do not like is that we do not slavishly follow the only line of thought dictated by the FSLN," they added.

The daily's directors categorically denied that LA PRENSA is a "spokesman in Nicaragua" of the Reagan administration, as the progovernment sectors have charged. Barrios said that LA PRENSA "has been suppressed due to the immoral policy of a government that deprives the Nicaraguan people of their freedom," adding that there is war in the country because "the revolution has been betrayed."

The directors, who estimated the newspaper's circulation at 60,000 copies, recalled that "as a result of the censorship," LA PRENSA could not be published on 41 [number as received] occasions during the past 6 and 1/2 years.

LA PRENSA has announced that it will present a habeas corpus petition to the courts. However, the directors have "little hope of receiving a reply," the daily's spokesmen said.

MSGR CARBALLO DENIED ENTRANCE TO COUNTRY

PA300429 Buenos Aires REUTER in Spanish 0350 GMT 30 Jun 86

[By Matthew Campbell]

[Excerpt] Managua, 29 Jun (REUTER) -- A Nicaraguan priest, the spokesman of the local Catholic Church hierarchy, could not return to Nicaragua, reportedly after the Sandinist government did not allow him to, political sources of the opposition said today. The sources said that Msgr Bismarck Carballo was told in Miami yesterday by the Salvadoran airline TACA that he could not take its flight to Managua.

Reportedly, the ruling FSLN had warned the airline that they would not allow Carballo to enter the country, and that TACA could be fined if it did not prevent the priest from getting on the plane, the sources said. Cardinal Miguel Obando y Bravo, head of the Catholic hierarchy in Nicaragua, has confirmed this information; however, he gave no further details. Obando y Bravo said to the press, after celebrating a mass in Niquinohomo, 30 km southeast of Managua: "The government should think this matter over, because Carballo is not a foreign priest."

EPS CLAIMS 4,000 CONTRA CASUALTIES IN 5 MONTHS

PA271732 Managua International Service in Spanish 2200 GMT 26 Jun 86

[Text] Brigade Commander Hugo Torres has reported that in 5 months of this year in actions against the enemies of the Nicaraguan people, the EPS has inflicted 4,000 casualties on the Somozist counterrevolution.

Commander Torres, chief of the EPS Political Section, said that last year the mercenaries suffered 6,000 casualties in what was the beginning of a strategic defeat, which is now being intensified with the blows against the criminal bands.

In a ceremony yesterday in Nueva Guinea, located more than 200 km southeast of Managua, the high-ranking military chief presented combat banners to the Rapid Hunters, Gaspar Garcia Laviana, and Edgar Medina Battalions and to companies of Border Guard Troops.

Referring to the U.S. Congress' approval of more aid for the counterrevolutionaries, Commander Torres said that millions of the Reagan administration will confront the unwavering morale of people who will never give up.

RADIO DECRIES U.S. AID TO NICARAGUAN CONTRAS

FL281237 Havana Radio Progreso Network in Spanish 1100 GMT 28 Jun 86

[Station commentary]

[Text] Nicaragua has requested an urgent UN Security Council meeting to examine the development of events in Central America after the United States approved granting $100 million to the counterrevolutionary bands. The request was made by Nicaraguan Ambassador to the UN Nora Astorga, who said the approval of the $100 million for the counterrevolutionaries is a step toward war and a slap in the face to the Contadora Group.

The terririst measure adopted by the U.S. Government has also caused wide protests in the United States. WALL STREET JOURNAL journalist Michael Kingsley says Reagan's policies violate international law. This is evidenced by cases such as Nicaragua. Actually, the U.S. journalist's opinion is nothing new. The International Courts of Justice at The Hague just confirmed it when it ruled against the United States for its intervention in Nicaragua's domestic affairs, especially for supplying weapons, financing the counterrevolutionary bands, and supporting military activities against the Central American country.

The high international court, in a 12 to 3 ruling, said the United States should immediately end all acts aimed at attacking Nicaragua. Of course, the United States will not comply and the best example of it is that the same day the international court announced its ruling, Washington's House of Representatives approved $100 million in aid to implement the policy of state terroism advocated by the Reagan administration against the Nicaraguan people. This is why -- as Nicaraguan President Daniel Ortega has just asserted -- the Sandinist revolution has the moral obligation and duty to guarantee to all the Nicaraguan people the necessary weapons to confront and defeat U.S. aggression.

Ortega Discusses Court Ruling

PA290105 Havana International Service in Spanish 2344 GMT 28 Jun 86

[Report by PRESNA LATINA correspondent Luis Cabrera in Managua]

[Text] Nicaraguan President Commander Daniel Ortega granted the following interview after learning about the International Court of Justice's historic ruling:

[Begin recording] [Cabrera] Good morning, Commander Daniel. We would like to ask you about the significance of the International Court of Justice's ruling at The Hague on this historic morning for Nicaragua.

[Ortega] It is extremely important for the Nicaraguan people and for the Third World, nonaligned, and Latin American people. It is a victory for the Nicaraguan people and a recognition of their tenacity and their trust in law and justice. I contacted Father Miguel D'Escoto early this morning and he gave us details about ((words indistinct)). He expanded on this during the interview with the Voice of Nicaraua. We must also recognize the personal efforts exerted by Father D'Escoto at the court, where he insisted on the importance of the International Court of Justice's ruling, plus the participation of the U.S. and Nicaraguan lawyers' team. They did a truly extraordinary job.

Now, the important thing about this is that barely a few hours after the U.S. Government... [corrects himself] the U.S. Congress approved financial aid for the mercenary forces and practically declared war on Nicaragua, the International Court of Justice clearly condemned this morning the decision by the U.S. Congress and president to continue the war against Nicaragua, to continue giving financial aid to the mercenary forces, and to involve their military advisers in their terrorist policy against Nicaragua.

Consequently, it is being clearly and unequivocally proven to the world that justice is on Nicaragua's side and that the U.S. Government has now become a government that violates the law; they will be criminals until they abide by the court's ruling, which demands that they immediately stop the aggression against the Nicaraguan people. [end recording]

This was President Daniel Ortega's statement and the Nicaraguan Government's official reaction on the historic ruling issued by the International Court of Justice at The Hague.

RESUMPTION OF RELATIONS WITH BRAZIL HAILED

FL282353 Havana Tele-Rebelde Network in Spanish 1100 GMT 26 Jun 86

[Journalist Juan Francisco Alvarez commentary]

[Excerpts] The people of Brazil and Cuba are celebrating: Yesterday in the capitals of the two countries, Brasilia and Havana, an official note announced the resumption of diplomatic relations between the so-called giant of the south and Cuba after more than 22 years.

This step by Cuba and Brazil is a reaffirmation of the sovereignty of the South American country and, at the same time, a tremendous blow to the policy of blockade and isolation that the United States has attempted to impose on Cuba.

The resumption of relations is consistent with a process of democratic opening and consolidation of the economy of Brazil, which after more than 20 years of military dictatorship and obscurantism is trying to open up its market to the world.

Recently, the United States, having learned that the resumption of relations between Brazil and Cuba was imminent, sent two top officials to Brazil to attempt to impose its point of view on President Jose Sarnay's government. In his conversations with the Brazilian foreign minister and other ministry officials, U.S. Ambassador to the United Nations Vernon Walters, a former CIA deputy director and a U.S. Army 5-star general, attempted to impose Washinton's points of view, which oppose the resumption of relations between the Brazilian and Cuban peoples.

In the end, relations between the two peoples were never severed but were interrupted by an opprobrious regime headed by a military gorilla because a victorious revolution was clearly directing its influence toward all Latin American countries. Another U.S. official who tried to hinder the resumption of relations was John Whitehead, under secretary of state for Latin America [as heard]. Not only did he try to impose political views on Brazil's democratic opening toward the rest of the world, but he also attempted to open the Brazilian market to U.S. technology and manufactured products.

The pressures unleashed on Brazil have been many. There have been all kinds and have come from all sides. The Brazilian Government, however, using its sovereignty and the strength the democratic opening affords it, has taken a gigantic step forward by announcing the resumption of political, economic, and trade relations with Cuba.

A PRELA political observer noted that the resumption of relations between Cuba and Brazil was the result of a process that had the understanding and support not only of the Sarney administratiion, but also of business and political circles and of all progressive forces in the country.

Frei Betto, who is in Havana participating in the second Latin American and Caribbean popular education meeting, emotionally said it was the fruit of a great effort and much perseverance, because it is no longer a diplomatic issue but two sister nations that are united by nature, race, culture, and a desire for a peaceful future among men. This reaffirmation of Brazil's sovereignty and Cuba's position of reestablishing diplomatic relations with all nations in the world that respect our interests and our domestic and foreign policies is a new victory of the Cuban revolutionary process and of Brazil's democratic opening.

Brazilian 'Satisfaction' Noted

FL272158 Havana Television Service in Spanish 0000 GMT 27 Jun 86

[Text] Brazilian parliamentarians, government officials, and political leaders have expressed their satisfaction with the resumption of relations between Cuba and Brazil.

Marco Maciel, chief of the Civilian Household of the Presidency, said the effort redeems Brazilian diplomatic tradition.

Luis Inacio Da Dilva, president of the Workers' Party, said maintaining relations with Cuba is a responsibility of any government that considers itself democratic and said he was particularly happy.

All Brazilian radio and television newscasts and the press today commented at length on the resumption of relations between Cuba and Brazil, which were interrupted 21 years ago by the Brazilian regime under pressure from the United States. For the most part, the headlines refer to future possibilities for trade and to the favorable opinions expressed by Brazilian officials. JORNAL DA BRAZIL and O GLOBO published cartoons on the resumption of diplomatic relations and symbolic expressions of friendship between the two peoples.

Yesterday, when the official note was announced, all Brazilian radio and television stations interrupted a World Cup soccer match to report the resumption of relations between Cuba and Brazil.

U.S. Reaction Reported

FL272220 Havana Television Service in Spanish 0000 GMT 27 Jun 86

[Text] The United States has issued a discordant note in response to the news of the resumption of Cuban-Brazilian relations, a State Department source said the Brazilian decision was disappointing.

A few months ago, when it was announced that relations between Cuba and Brazil would be reestablished, Washington once again demonstrated its interventionist policy and put pressure on the Brazilian Government to prevent it from its goal.

RADIO RELOJ NOTES VOA CARIBBEAN PROJECT

FL261624 Havana Radio Reloj Network in Spanish 1422 GMT 26 Jun 86

[Text] The official U.S. radio station Voice of America will install a high-power transmitter on the island of Antigua for its programs beamed at the eastern Caribbean. The agreement grants the United States permission to use the island for ideological propaganda purposes and was signed by Antigua and Barbuda Foreign Minister Lester Bird and the U.S. Ambassador to St John's.

According to VOA's plans, the radio station will be completed in the fall of 1989 and will boost the transmission power of the station now operating on the Caribbean island of Antigua, which carries radio programs originating in Washington.

Last year, the official U.S. radio station VOA began broadcasting to neighboring Latin American countries as a result of a modernization project reportedly costing over $1 billion.

AMBASSADOR TO USSR MEETS WITH LIGACHEV

FL270256 Havana Television Service in Spanish 0000 GMT 27 Jun 86

[Text] CPSU Politburo member Yegor Ligachev met today with Cuban Ambassador to the USSR Lionel Soto, member of the Secretariat of the Communist Party of Cuba Central Committee, who is concluding his diplomatic mission in the USSR.

During the meeting, held in an atmosphere of cordiality and camaraderie, it was evident that there was reciprocal satisfaction with the state of bilateral ties and confidence that these would continue to strengthen.

ALMEIDA MEETS SFRY OFFICIALS IN BELGRADE

FL281149 Havana Radio Progreso Network in Spanish 1100 GMT 28 Jun 86

[Text] Commander of the Revolution Juan Almeida has met with high-level government and League of Communists of Yugoslavia officials in Belgrade. Among them were Stane Dolanc, member of the Presidency of the Republic, with whom Almeida held talks. Almeida was accompaned by the Communist Party of Cuba delegation to the 23d Congress of the League of Communists of Yugoslavia, which ends today.

BULGARIAN FOREIGN TRADE MINISTER ARRIVES

FL261326 Havana Radio Progreso Network in Spanish 1100 GMT 26 Jun 86

[Text] Bulgarian Foreign Trade Minister Khristo Khristov, heading a delegation from his country, has arrived in Havana. He will sign the medium-range commercial agreement and other documents related to bilateral trade during the present 5-year period. During the Bulgarian minister's stay in Cuba, discussions on the signing of the 1986 trade protocol will be concluded. The protocol includes an analysis of the fulfillment of the pledges made by both parties.

Meets With Rodriguez

FL281203 Havana Radio Progreso Network in Spanish 1100 GMT 28 Jun 86

[Text] Carlos Rafael Rodriguez, Politburo member and vice president of the Councils of State and Ministers, has met in Havana with Bulgarian Foreign Trade Minister Khristo Khristov, who is heading his country's official delegation on a visit to Cuba. During the fraternal meeting, the two leaders exchanged information on the economic development of their respective countries and expressed their satisfaction with the results of the negotiations which guarantee a 22-percent increase in trade during this 5-year period compared to the last 5-year period.

'NEGLIGENT' PERSONNEL BLAMED FOR OIL SPILL

FL251846 Havana Radio Periodico del Aire in Spanish 1600 GMT 25 Jun 86

[Text] In the predawn hours of 22 June, while an oil tanker was being unloaded in Cienfuegos Bay, a spill occurred because of a faulty unloading system. The negligent and irresponsible action of the personnel in charge of this operation, who were not at their work post at the fuel enterprise, caused approximately 1,200 tons of fuel to spill in the bay.

The provincial party and people's government leadership jointly with competent organs have the situation under control and are working to clean the water to reduce to a minimum the consequences of the event.

[Signed] Basic Industry Ministry

Spill Reportedly Under Control

FL280112 Havana Television Service in Spanish 0000 GMT 28 Jun 86

[Excerpt] The situation created by the spill of more than 1,000 tons of oil in Cienfuegos Bay is now under control. A large portion of the combustible fuel has been concentrated at designated points along the coast where intense cleaning efforts continue.

The province's economic and defense organs have been involved in the cleaning effort, as have specialists from the country's scientific institutions. Up to now, hundreds of metric tons of hydrocarbons have been recovered under the province's own initiatives. General cargo vehicles and motor pumps are being used to extract oil and transport it to the distribution center.

FBIS DAILY REPORT
CONTENTS
Latin America

Vol VI No 126 1 July 1986

ARGENTINA

Jaunarena: Officers Willing To Testify [BUENOS AIRES HERALD 30 Jun] B 1
Judge Orders Remand of Eight Accused Spies B 2

BRAZIL

Itamaraty Seeks To Delay Sodre-Shultz Talks [O GLOBO 30 Jun] D 1
    Informatics Delegation Leaves D 1
Media Comments on Resumption of Cuban Ties D 2
    O GLOBO: 'Hasty Step' [26 Jun] D 2
    End of Isolationist Policy [FOLHA DE SAO PAULO 27 Jun] D 2
Mirage Airplane Crashes; Pilot Ejects to Safety [O GLOBO 28 Jun] D 3

CHILE

Bomb Scare at Embassy in Sweden Hoax E 1
Carabineros Raid University; Over 100 Arrested E 1
National Civic Assembly Appeals to Armed Forces E 1
Night Travel Restricted in 8th Region 1-3 July E 2

COLOMBIA

Ministers Question Attorney General's Report [EL SIGLO 25 Jun] F 1
Minister Parejo on Justice Palace Position F 2

PERU

Personnel Shake-ups Follow Execution Allegations J 1
    Guard Director Replaced J 1
    Justice Minister Resigns J 1
    Minister's Statement J 1
Reprisal Attacks Follow Murder of Prison Inmates J 3
New Measures To Prevent Terrorist Attacks J 4

URUGUAY

Opposition Leader Ferreira Leaves for Rome K 1
CNEA To Dismantle Sole Nuclear Reactor [EL DIA 21 Jun] K 1

MEXICO

De la Madrid Meets With FRG Chancellor Kohl M 1
    Kohl Departs M 1
Envoy Leaves for Tanzania To Prepare Summit M 1

PANAMA

Talks Held With U.S. on Drugs, Money Laundering N 1
Delvalle Reportedly Vexed by Noriega's Slights [LA PRENSA 30 Jun] N 1
Noriega, Nicaragua's Ramirez View Condeca N 2
Briefs: Arrests for Cocaine Trafficking N 2

CENTRAL AMERICA

BELIZE

Committee To Study Guatemalan Claim to Belize P 1

EL SALVADOR

Rivera y Damas on Church's Role in Dialogue P 1
Acoees Accuses Army of Harassing Journalists P 2
Esquipulas Summit, Contadora 'Failure' Viewed P 3
FMLN Lifts Transportation Stoppage on 27 June [Venceremos] P 4

HONDURAS

Delegates Appointed to Demarcation Commission [LA TRIBUNA 25 Jun] P 4
Rosenthal Comments on Uniform Sales to EPS P 5
Paper Sees Contra Aid as Domestic Threat [TIEMPO 27 Jun] P 5

NICARAGUA

News Media Reaction to Contra Aid Approval P 7
    Radio Commentary P 7
    BARRICADA Editorial [27 Jun] P 8
Tunnerman Cites U.S. Media Reports on ICJ Ruling P 9
TANA Communique Calls U.S. 'Gangster State' P 10
Government Forbids Msgr Carballo's Entry [ACAN] P 11
Arce Comments on Socialist International Support P 11
Ramirez Reports on Results of European Tour [BARRICADA 25 Jun] P 12
Tirado Heads FSLN Delegation to PZPR Congress [BARRICADA 26 Jun] P 14
Red Brigade Members Allegedly Work for FSLN [LA REPUBLICA 19 Jun] P 14

CUBA

Castro Discusses Spy Charges Against Noriega [Panama City] Q 1
Castro Gives Speech at Enterprises Meeting Q 8

CARIBBEAN

BAHAMAS

New Ambassador to United States Appointed S 1

JAMAICA

Seaga Announces Municipal Elections for 29 July S 1
    Manley Reacts to Announcement S 2
Manley Rejects PNP Involvement in Shooting S 2

JAUNARENA: OFFICERS WILLING TO TESTIFY

PY302352 Buenos Aires BUENOS AIRES HERALD in English 30 Jun 86 P 9

[Text] (NA-DYN) -- Defence Minister Horacio Jaunarena yesterday flatly denied that 100 military officers from the First Army Corps charged with human rights abuses have resolved to restrict their declarations before the Federal Court to disclosing the names of chiefs who handed out orders. According to press reports backed by military sources, the officers agreed to limit their testimony after the Federal Court of Appeals took over their cases from the Armed Forces Supreme Council, the latter accused of unwarranted delays in handling the trials.

Jaunarena insisted that unease has not spread within the Armed Forces over the transfer of up to 300 human rights cases to the Federal Court, which recently asked to review another 177 cases related to trial of former Buenos Aires Province Police Chief Ramon Camps. The Defence Minister also doubted that the number of First Army Corps officers accused of violations amounts to 100, while a court spokesman asserted only about 50 members are implicated.

According to the press reports, military spokesmen on Saturday said that the Army top brass was discussing the alleged decision by officers, especially by those directly involved in the fight against guerrillas, to restrict their statements while on trial.

Conerning the military trials, Lower House Speaker Juan Carlos Pugliese yesterday blamed lack of self-criticism within the Armed Forces for leading members to denounce that "the winners of a war (against subversion) are currently on trial." Pugliese said that the Armed Forces cling to their belief in "the doctrine of national security and the concept of Communist revolutionary wars," the conclusion of which is that "the enemy must be destroyed at all cost." "We think not, since there are countries which have done away with internal subversion through justice, treading a slower and harder path but upholding democratic institutions" said Pugliese.

On a separate matter, Pugliese told the Channel 7 Cable a Tierra show that military salaries are in fact very low and may be stirring anxiety within the forces. "Many people believe the Armed Forces are priviledged (in terms of wages), but in reality the salaries of officers are a subsistence level."

For his part Misiones Governor Ricardo Barrios Arrechea (UCR) yesterday said that the Armed Forces are firmly subjected to the civil power, although perhaps reluctantly, he conceded. "I don't know whether they are convinced, but there is definitely a correct handling of the Armed Forces by the state." Barrios Arrechea added that "the Argentine people have matured through past experiences" and now strongly support democratic rule. "A coup is not an alternative which would appeal to the people at this point."

The situation of military members on trial for human rights abuses, as well as the Army's "restructuring" and budget status were analysed on Friday during the bimonthly meeting of Army generals. Army Chief of Staff Hector Rios Erenu closed the session by telling his subordinates to "continue searching for their definite insertion in the constitutional scheme." Rios Erenu also called for the "optimal rationalization of the military budget" while giving out the instructions that Army members must follow during the next 60 days.

A military source disclosed that participants also considered recent statements made by members of the Centre of Military Officers for Democracy (Cemida) and the Latin America-Argentine Unity group (UALA), and described them as "harmful to the force."

Another problem that may cause tension within the Armed Forces is the fact that retired military personnel will not receive their pensions on time because the corresponding institute has been working to rule for the past 20 days in a bid for wage parity with defence ministry personnel. Meanwhile active military members could receive an 18 percent wage increase in July and another seven percent in August, according to a military spokesman. He added that a second-lieutenant is currently earning no more than 100 australs a month.

At the same time retired Lieutenant-General Leandro Anaya was elected chairman of the Circulo Militar officers club in elections held yesterday. Anaya was the Army Commander-in-Chief in 1975 when then-president Maria Estela Martinez de Peron ordered "Operationa Independence" to fight guerrillas in Tucuman.

JUDGE ORDERS REMAND OF EIGHT ACCUSED SPIES

PY301451 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1350 GMT 28 Jun 86

[Text] Mar del Plata, 28 Jun (NA) -- Judicial sources have reported that the criminal court has remanded in custody eight members of a presumed ring of spies that reportedly operated in favor of Chile. The court has reportedly found them responsible prima facie for crimes involving illegal association, car theft, and concealment of robbery.

The accused are: Isabel Carmen Luna, Navy Corporal Jose Luis Luzarreta, Guillermo Martin Arreghini, Enrique Dutehey, Hugo Angel Ruiz, Juan Carlos Cerda, Juan Carlos Paglialunga, Carlos Brescia, and Dante Fabian Aprimo.

The first four are accused also of an attempted criminal action against the state's security, and the much-publicized case of alleged espionage on the naval base of this city in favor of Chile, a case on which the federal court has not yet announced a decision.

The custody warrant was issued by 1st Criminal Court Judge Carlos Enrique Haller, who is hearing the case of the common crimes. Judge Haller ordered the detained woman to be transfered to the Dolores Prison, while the others will be sent to prison number 15 of Batan.

Jossianne Van Ledeguen, who is accused also of belonging to the group of spies, according to the investigations of the federal police who discovered this group in mid May, will reportedly remain under detention at the Federal Police Agency because there is no official information on her.

ITAMARATY SEEKS TO DELAY SODRE-SHULTZ TALKS

PY010145 Rio de Janeiro O GLOBO in Portuguese 30 Jun 86 p 17

[Text] Brasilia -- If everything goes according to Itamaraty's plan at the 2 July meeting in Paris, Foreign Minister Abreu Sodre and U.S. Secretary of State George Shultz will not be meeting in the near future to reach an agreement on the law reserving the Brazilian computer market for Brazilian-made products. Itamaraty has proposed a technical meeting among Brazilian and American delegates to avoid a decisive political meeting on the disagreements between the two countries.

The strategy was approved by President Jose Sarney who decided to exclude from the Brazilian delegation -- which left last night for Paris -- the representatives of the Communications Ministry and the Industry and Commerce Ministry because their respective ministers, Antonio Carlos Magalhaes and Jose Hugo Castelo Branco, are in favor of making the law more flexible. Science and Technology Minister Renato Archer was not surprised by the exclusion of the representatives from these two ministries because, in his opinion, "they should not take part in these discussions."

Only representatives of Itamaraty (two), of the Science and Technology Ministry (two), of the Finance Ministry (one), and of the Planning Ministry (one) have gone to Paris. Only the representatives of Itamaraty and of the Science and Technology Ministry will be directly involved in the informatics talks. The other two representatives, Ricardo Saur (Finance), and Paulo Tafner (Planning), will center their attention on issues other than Brazilian-U.S. trade. The Brazilian Government seeks to block the U.S. Government's strategy of concentrating its artillery on the Informatics Law to exact concessions in other areas.

The public disclosure of disagreements between Ministers Archer and Magalhaes will not bring any changes to the instructions imparted by President Sarney to the Brazilian delegation during a meeting held on 27 June.

This last weekend, Archer met twice with Brazilian Democratic Mobilization Party President Ulysses Guimaraes to explain his reaction to Magalhaes' criticism. During a meeting held yesterday, Archer also gave explanations to Foreign Minister Sodre, who gave him his full support.

Informatics Delegation Leaves

PY301454 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 30 Jun 86

[Excerpt] The Brazilian delegation which will discuss informatics in Paris left last night. It will meet the U.S. delegation on 2 July. The Brazilian delegation is headed by Foreign Minister Secretary General Ambassador Paulo Tarso Flecha de Lima and made up of experts from the Science and Technology, Industry and Commerce, Planning, Finance, and Communications Ministries, as well as representatives of the Banco de Brazil Foreign Trade Department (CACEX) and the National Security Council. The Paris meeting was decided upon during U.S. Under Secretary of State John Whitehead's visit to Brazil. It will be the first round of negotiations on the U.S.-Brazilian trade dispute.

MEDIA COMMENTS ON RESUMPTION OF CUBAN TIES

O GLOBO: 'Hasty Step'

PY302041 Rio de Janeiro O GLOBO in Portuguese 26 Jun 86 p 1

[Editorial: "A Hasty Step"]

[Text] It seems obvious that the resumption of relations with Cuba took place too early. It was not in keeping with what the government said its plans were because there were still diplomatic and national security aspects that needed ironing out. Furthermore, Fidel Castro never supplied convincing answers to the demands that Brazil felt should be fulfilled before it could recognize the Cuban Government. Nothing has changed concerning the Cuban internal situation. Nothing has changed concerning the Cuban behavior in Central America. And certainly nothing has changed concerning the overwhelming Cuban presence in Angola, represented by tens of thousands of soldiers and by tentacular military and political advice.

And if nothing has changed on the Cuban side, why should Brazil change all of a sudden? What Fidel Castro did in Angola not only offends our ties of ethical, cultural, and sentimental identity with that African country but also is a problem closely linked to strategic Western Hemisphere and Brazilian interests which we can in no way ignore or minimize. Angola's geographic location has a bearing on maritime routes that are vital to the security of the hemisphere because it guarantees the movement of fuels and other supplies.

In theory, there is no doubt that the Brazilian democratic opening should justify a system of Brazilian diplomatic relations without any exceptions. However, the implementation of the foreign policy must take into account certain requirements to meet such a generalization. Let us not forget, for example, that numerous and unsuspected liberal voices now demand that South Africa be diplomatically isolated because of the violent racist policy of the Pretoria regime.

The unconditional resumption of diplomatic ties with Havana is at least untimely, involving a yete unresolved question of merit. It is a hasty step we are taking without a good explanation and without a straightforward need.

End of Isolationist Policy

PY302252 Sao Paulo FOLHA DE SAO PAULO in Portuguese 27 Jun 86 p 7

[Commentary by analyst Newton Carlos]

[Text] The resumption of diplomatic ties with Brazil is extremely important for Cuba. The "might" of Brazil runs like a tractor over the U.S. desire to isolate the Cuban regime. This resumption of ties occurs at a critical phase of confrontation between the United States and Cuba.

The isolationist policy is finished. The Brazilian decision was a decisive step. Uruguay has already resumed relations. Bolivia did so during former President Siles Zuazo's administration. Argentina, Peru, Ecuador, Colombia, and Venezuela have also normalized relations with Cuba. In South America, only Chile does not have diplomatic relations with Cuba.

Now that Brazil has joined the chorus, all South America has followed the example of Mexico -- which never severed relations with Cuba -- and refuses to accept the U.S. accusations that Cuba is an "exporter of revolution." It is common knowledge that not even the Brazilian military fully accepted this kind of agreement during their talks with Vernon Walters, U.S. representative to the United Nations. The decision to resume relations with Cuba was adopted in many Latin American countries in order to "moderate" the Cuban regime.

After the OAS decreed its isolation, Cuba tried to oust South American governments through wars and guerrillas. It was an absolute failure, with a huge loss in dollars. Venezuela was one of the main targets, but it was also one of the first countries to resume ties with Cuba. Colombia followed the same path, the same Colombia which had drafted the resolution that expelled Cuba from the OAS. The Argentine military regime (1976-1983) did not even bother to severe relations with Cuba. Now, Fidel Castro's main interest is to rejoin Cuba with the continent through normal relations with the "constitutional governments." He welcomed the installation of an elected president in Guatemala, where there is a strong guerrilla movement.

The repercussions of the resumption of relations with Brazil are not limited to the American continent. Cuba has troops in Angola, an African country in which Brazil has great interests (or designs). In a way, the Brazilian Government's position that the presence of Cuban troops in Angola is "acceptable," because they are there at the request of the Angolan Government, is further "opposition" to the United States. Furthermore, the repercussions are not only limited to the political field. For some time, the U.S. office in Havana (we must not forget that even the Americans have a "degree" of relations with Cuba) has foreseen that, with the resumption of ties Brazil will become Cuba's second trade partner, surpassed only by the Soviet Union.

Cuba is breaking the U.S. economic blockade. The breakthrough caused by the Brazilian decision is enormous, and the Americans know it. The resumption of ties takes place at a moment of apparent hardening in Cuba. Some experts are mentioning the adoption of a "Korean line." It seems that Fidel Castro has returned from his trip to the DPRK full of enthusiasm. The only experiment of direct deals between producer and consumer, the so-called "parallel" peasants' markets, is closed. Some members of the old guard have been dislodged from leading positions to clear the path for Fidel's successor, his brother Raul. Fidel Castro again attacks corruption, indiscipline and inefficiency at work, as well as criminality.

MIRAGE AIRPLANE CRASHES; PILOT EJECTS TO SAFETY

PY301531 Rio de Janeiro O GLOBO in Portuguese 28 Jun 86 p 5

[Text] Brasilia -- A Brazilian Air Force (FAB) Mirage airplane crashed yesterday at about 1500, 8 km from the runway of an air base in Anapolis, Gois. The pilot, Captain Lumonte, used the ejector seat and is in good condition. The accident was caused by turbine problems and occurred a few seconds after takeoff. The aircraft was destroyed.

This is the 8th accident involving a Mirage airplane since Brazil purchased 16 Mirage airplanes from France in 1972. Each airplane cost $5 million. The last accident occurred in July 1984, also near the Anapolis air base, and the two pilots were saved by using their parachutes. Three airplanes have crashed -- in 1980 (involving a death), 1979, and 1974 -- owing to turbine problems, and the airplanes were completely destroyed. Another airplane crashed in 1975 owing to unspecified "abnormalities," and in 1982 a Mirage was completely destroyed because its landing gear failed to operate.

BOMB SCARE AT EMBASSY IN SWEDEN HOAX

AU011029 Paris AFP in English 1024 GMT 1 Jul 86

[Text] Stockholm, July 1 (AFP) -- A hoaxer left an empty bag in the Chilean embassy here Tuesday, with a note saying "Beware, this is a bomb," police said.

Earlier they had sealed off the embassy and sent in an explosives team following an anonymous telephone call to the Stockholm daily EXPRESSEN warning that a bomb had been placed there.

But police only found a bag, in the entrance hall of the embassy, with a note in it. Explosives experts took the bag outside and found it was empty.

CARABINEROS RAID UNIVERSITY; OVER 100 ARRESTED

PY302120 Paris AFP in Spanish 1917 GMT 30 Jun 86

[Text] Santiago, 30 Jun (AFP) -- Carabineros forces today raided the University of Chile and expelled the students who had seized the building, in downtown Santiago. Two persons were injured and over 100 students were reported arrested.

The students demanded the restoration of democracy and the end of the intervention of the government of General Augusto Pinochet in the universities. They also voiced their support for the general strike that the National Civic Assembly decreed for 2 and 3 July.

The Carabineros, who brought several patrol cars, cordoned off the bilding and shortly thereafter, and amid growing tension entered the university.

At the same time, the police teargassed tens of youths and passerby at the university gate on Libertador Bernardo O'Higgins Avenue, where they gathered to convey their support for the students who seized the building. Eyewitnesses said that a 15-year old student and a bystander were injured.

In 13 years of military government, this is the first time that students were removed from the old building, groups of youths began demonstrating on nearby streets, where police used tear gas and powerful water jets to control the new riots.

The National Civic Assembly, the national workers' command, the associations of professionals, students, and businessmen, and the transportation sector have agreed to go on strike on 2 and 3 July.

NATIONAL CIVIC ASSEMBLY APPEALS TO ARMED FORCES

PY302324 Madrid EFE in Spanish 2039 GMT 30 Jun 86

[By Luis S. Saavedra]

[Excerpt] Santiago, 30 Jun (EFE) -- With 48 hours to go before the first nationwide strike against General Augusto Pinochet's military regime, the National Civic Assembly [ANC] appealed today to the Chilean Armed Forces, urging them "not to be an obstacle to peace."

In a letter sent to the deputy commanders of the branches of the Armed Forces, the ANC stated: "We believe that the time has come to put an end to the lack of communication that may lead to the decay or the shattering of the fatherland."

The ANC, which claims to represent more than 2.5 million Chilean workers, sent its letter to Army Deputy Commander General Santiago Sinclair, Navy Deputy Commander Vice Admiral German Guesalaga, Air Force Deputy Commander Generalo Carlos Desgroux, and Carabineros Deputy Director General Juan Alegria. The letter states that "coercion used against people who have not violated any of the laws that they have given themselves freely and sovereignly is nothing more than crime or terrorism." The ANC added: "The government is responsible for its own outrages, and the military institutions should not get involved."

It went on to tell the military men that "in order to prevent any serious harm from being done to Chile we urge you to join forces with us in the quest for peace because the 1980 constitution brings the Armed Forces face to face with the dilemma of whether or not they should definitely commit themselves politically to the regime."

The letter concludes: "We do not want a dramatic confrontation among Chileans. The fate of the armed institutions should not be mistaken for that of the regime."

NIGHT TRAVEL RESTRICTED IN 8TH REGION 1-3 JULY

PY302321 Santiago Domestic Service in Spanish 1700 GMT 30 Jun 86

[Relay from RSN in Concepcion]

[Text] A moment ago the office of Brigadier General Eduardo Ibanez Tilleria, chief of the eighth emergency zone, issued Communique No 183 which states the following:

The circulation of all vehicles, private or public, will be restricted from 0100 to 0500 on 1, 2, and 3 July 1986 in the Province of Concpcion except in the districts of Talcahuano, Penco, and Tome.

Communique No 183 is signed by Brigadier Gen Eudardo Ibanez Tillria, and pertains to all districts except for those of Talcahuano, Penco, and Tome.

MINISTERS QUESTION ATTORNEY GENERAL'S REPORT

PA290123 Bogota EL SIGLO in Spanish 25 Jun 86 p 1

[Text] All Cabinet ministers yesterday confirmed their support for the decisions adopted by the president of the Republic to confront the M-19 raid against the Palace of Justice in November and, regarding the report on the tragic event issued by Attorney General Carlos Jimenez Gomez on Saturday, said that it barely amounts to an additional manifestation of what the official himself has described as an "Attorney General's Office for Judgment" [procuraduria de opinion]. The ministers added that "this kind of action is not provided for in the constitutional or legal rules that set forth the powers of the attorney general and the attorney general's office and may lead to the disavowal of one of the tutelary principles in a state ruled by laws.

The ministers also expressed to the nation their unwavering determination to answer for their decisions during the tragic events. Regarding the position assumed by the members of the Cabinet, the Presidency issued the following communique:

A ministers meeting was held yesterday, which was attended by all the ministers of the Cabinet. The meeting included the following statement in its agenda:

1. In view of the resolution issued by the nation's attorney general, the undersigned ministers of the Cabinet once again uphold the decision unanimously adopted during a special session on 7 November 1985 of the Cabinet, expressing "their absolute solidarity with the decisions of the president of the Republic" made by him during the terrorist attack on the Palace of Justice. They reiterate, as should be expected, that they are willing to continue participating unanimously in the political debate that began last year in Congress regarding the tragic events.

2. The resolution issued by the attorney general regarding these events represents an additional example of what the attorney general calls the "Attorney General's Office for Judgement," According to the characteristics of this new form, in some cases charges are not made by strictly following the probatory legal requisite established by the current legal order, but are determined with complete freedom according to subjective evaluations and personal appraisals, as well as known facts and good faith.

This form of action is not provided for within the constitutional and legal norms that determine the attributes of the attorney general and the attorney general's office, and it could lead to the disavowal of one of the tutelary principles in a state ruled by laws.

3. That the United Nations as well as the OAS, on unanimously condemning terrorism, consider it a true crime against humanity and that concretely, on 11 November 1985, 23 foreign ministers meeting in Luxembourg, among them 12 representatives of the EEC, condemned the Palace of Justice events in the following manner:

"On learning of the grave terrorist act in Colombia against the Supreme Court of Justice, in which many justices of the court and citizens of that country lost their lives, they regret this attack on one of the branches of the state; they condemn the terrorist actions that endanger the innocent lives, and they express their condolences to the Colombian people and to President Belisario Betancur, who has carried out a courageous peace process to strengthen the political dialogue and democratic activity in that country."

4. That the government, headed by the president of the Republic, has provided what is necessary to fully clarify the tragic events, and for that purpose, it appointed a special investigation tribunal whose members were freely and independently chosen and appointed by the Supreme Court of Justice.

The ministers reiterate to the nation and competent authorities their unwavering determination to answer for the decisions they took during the tragic November incidents and for the conduct they assume as a result of those incidents.

MINISTER PREJO ON JUSTICE PALACE POSITION

PA262138 Bogota Television Service in Spanish 0000 GMT 26 Jun 86

[Text] Justice Minister Enrique Parejo will not resign. Instead, he issued clarifying remarks in response to a recent EL TIEMPO statement that the minister and President Betancur have taken a 180-degree turn with respect to their positions on the actions to recover the Justice Palace, taken over by terrorists on 6 November in Bogota.

The other Cabinet members have made no statement against Parejo, who made certain observations on the handling of the 7 November crisis, which are cited in the investigative report that was prepared at the government's request.

Justice Minister Enrique Parejo concluded his statement by saying that his position on the Justice Palace developments has not changed and will not change.

PERSONNEL SHAKE-UPS FOLLOW EXECUTION ALLEGATIONS

Guard Director Replaced

PY301740 Madrid EFE in Spanish 1651 GMT 30 Jun 86

[Text] Lima, 30 Jun (EFE) -- The Peruvian Government today ordered that General Maximo Martinez Lira, director general of the Republican Guard, be replaced and placed on the retired list. This is the first removal from office following the violent repression of the riots in Lima's prisons.

The Republican Guard has been attributed with the responsibility of the massacre at Lurigancho Prison, where more than 100 rebel prisoners were executed after they had surrendered.

President Garcia said on 27 June that approximately 100 members of the Republican Guard have been placed under arrest at the maximum security prison of Cantogrande.

The supreme decree which orders the replacement indicates that it has taken place "at the request" of Martinez Lira himself, and he was also "thanked for the service that he has rendered to the nation."

Martinez Lira had been in the job only 2 months. He replaced General Julio Nino Rios, who had been forced to resign after two dangerous kidnappers escaped from the cells of the Justice Ministry, apparently with the help of members of the Republican Guard.

Justice Minister Resigns

PY010106 Paris AFP in Spanish 0040 GMT 1 Jul 86

[Text] Lima, 30 Jun (AFP) -- Justice Minister Luis Gonzales Posada resigned tonight because of the killing of prisoners charged with involvement in terrorist activities at the Lurigancho Prison, an official source has reported.

Minister's Statement

PA010322 Lima Television Peruana in Spanish 0115 GMT 1 Jul 86

[Report by Patricia Bonn, from the Justice Palace]

[Text] Justice Minister Luis Gonzalez Posada presented his irrevocable resignation to President Alan Garcia today. He revealed this in the Tupac Amaru Room at the Justice Palace, during a news conference.

[Begin Gonzalez recording] Good evening, Messrs Journalists. I will address the public through you, to state that I left the president's office a few minutes ago after formally presenting a letter in which I irrevocably resigned the post of justice minister, with which I have been honored since 28 July 1985. The decision was prompted by moral reasons, given the despicable excesses which were perpetrated by our forces when countering the riot which broke out at Lurigancho Prison. The president has already stated that, surpassing any authorization from the Council of Ministers and violating the most elemental human, legal, and Christian rights, this led to the death of a still undetermined number of prisoners who were unarmed and had surrendered.

This grave event cannot be accepted or silenced; instead, it demands that the authorities carry out a thorough investigation and severely enforce the law against those who are proven responsible. Democracy is built by abiding by the law and with freedom and respect for human rights. The law, not barbarism, reasserts the principle of authority and regulated legal relations in a civilized society. In this concern, when the Council of Ministers authorized the countering of this riot and the reinstatement of order in the prisons, it was done with the intention of enforcing the law. However, it did not authorize -- under any circumstances -- criminal excesses which we do not countenance; furthermore, we reject and censure them, as was done by our head of state in due time and with great moral courage.

Even though the Justice Ministry has had no participation or responsibility in these events, these have taken place in one of its departments. Thus, I am morally obliged to present, as I have done, my resignation to the president of the Republic.

I want to tell you that I and the government members are part of a party which has a long-standing tradition of democracy and struggle in Peru; a party with a history of martyrdom. Thousands of Apristas have died during the past 60 years. Thousands more have been deported and imprisoned, because they tried to achieve what we are now trying to achieve: to change Peruvian society within a democratic system, defending a legal state, and fully respecting human rights. The APRA [American Popular Revolutionary Alliance] has always risen from these crises, generously extending its hand for the sake of all Peruvians' peace and harmony. This is the historical lesson which my party has given. We are peace-loving people, humane people, people who believe in the vital need for a change in Peru, but the changes must be made according to the law, respecting rights, and within a deeply human spirit.

I want to say something else to the journalists, who are my colleagues, because I belong to their organization by vocation and conviction. I wanted to tell you that the Justice Ministry -- as a whole -- is deeply grateful for the generous and permanent support that you have always given us, in basically what represents for us an ethical and moral crusade to defend abandoned children; in a permanent and implacable struggle against drug trafficking, which destroys everything and has annihilated vast sectors of the Peruvian youth.

That is why I want to thank the journalists, as I leave the Justice Ministry. The other coworkers and the person who will replace me will be part of the same set of principles, of deep ethical and moral content. I want to ask you to continue helping us in this campaign to defend the minors and children, to defend those who are constantly demanding help and support from the citizenry.

Journalism is an ethical channel and a communications channel that is extremely important in this type of activity. I thank you very much, colleagues; I thank you for your understanding and support; I thank you for having accompanied us. I thank the president of the Republic for the trust and affection that he has always shown me. I thank the president of the Council of Ministers and of the (?teachers) cabinet. My support, my faith, and my confidence that, following these tragedies, we must strengthen the democratic spirit. [sentence as heard]

The best men and women of Peru, who are all of us, should take up a full commitment to seek peace and national unity. That is the final message I could give you at this time, reiterating once again my gratitude, and sincerely telling you that he who is addressing you has done everything humanly possible, has worked with high spirits, with efforts, at full capacity, with a team of advisers and teachers of law, in an effort to make the Justice Ministry -- the first APRA Justice Ministry -- an institution at the service of the most needy classes. Thank you very much. [end recording]

REPRISAL ATTACKS FOLLOW MURDER OF PRISON INMATES

PY301835 Paris AFP in Spanish 1821 GMT 29 Jun 86

[Text] Lima, 29 Jun (AFP) -- The police today reported in Lima that Shining Path columns have perpetrated dynamite attacks against four government party offices, banks and stores in Lima, murdered a student, and threatened authorities in Ayacucho. Moreover, the Catholic Church admitted for the first time the possibility of mediating between the insurgents and the democratic institutions.

Strong security measures have been adopted at the Jorge Chavez International Airport. Beginning today, only passengers traveling abroad or to the interior of the country will have access to airport facilities. Relatives and visitors will no longer have access to the building, and of the 20 doors that used to be open, only 2 remain open.

The escalation recorded yesterday added to the attacks in reprisal for the violent repression of terrorist riots in the prisons of Lima and Callao, where 124 inmates who had surrendered were shot. Three other banks were dynamited in the districts of Chorrillos, Comas, and San Martin de Porres, causing injuries to a police sergeant, also to a pedestrian, and serious property damage.

A grocery store in Monterrey de Chosica, 30 km southeast of here, was totally destroyed by the fire that was started by incendiary bombs, while a customs office and a paper factory were dynamited in the port of Callao on the Pacific coast, resulting in considerable property damage but no casualties.

Four APRA [American Popular Revolutionary Alliance] offices were also attacked with dynamite and a fifth was about to be set on fire by the inhabitants of Ate-Vitarte, the source reported.

Student Niquer Tueros (18 years old) was beheaded by a Shining Path group on Friday, 27 June, in the Jatum Payja hamlet, Ayacucho, after being taken from his house. On the victim's body they stuck a sign saying: This is how those who rob the communist party die.

Moreover, the prefect, the parish priest, the supreme court president, the mayor, and five Ayacucho reporters are among 30 people who have received death threats. Terrorist leaflets that are circulating state that the Shining Path will avenge the massacre of their brave fighters.

A congressional committee of the United Left, the second largest political force in the country, has confirmed the denunciation made by President Alan Garcia that 150 Republican Guards and more than 50 soldiers, under the command of Peruvian Army General Jorge Rabanal Portilla, killed one by one with a shot in the back of the head the inmates who refused to identify seven of their comrades. Leftist Deputy Agustin Haya de la Torre has reported that he had received the testimony of 79 terrorist prisoners who are being held at Lurigancho prison and of the director of the prison himself, Willmer Lazarte, on this tragic event.

After obtaining the surrender of the 129 inmates of the industrial pavillion who rioted on 18 June, the officers, each with a list in their hands, asked for the identity of seven persons, and when the inmates refused to provide identification they were killed one by one, Haya de la Torre stated.

The Armed Forces Joint Command has authorized a group of priests to visit the three prisons affected by riots in order to conduct religious acts. Visits of relatives to the prisons have been authorized again since yesterday.

If the current situation allows, the church could become the mediator between the terrorists and the democratic institutions, Msgr Augusto Vargas Alzamora stated here today. Msgr Vargas is the secretary of the Peruvian Episcopate. He stated: The church will not be able to propose any peace front, because its pastoral mission avoids involvement, but it does propose the necessary dialogue that may allow the return of peace in a country agitated by violence.

Fernando Cabieses, president of the Peace Commission, has confirmed that he has presented the collective resignation of its members to President Alan Garcia, but it is not known whether it will be accepted or not. The commission failed in its objective of trying to avoid the intervention of the forces of order in the repression of the riots.

NEW MEASURES TO PREVENT TERRORIST ATTACKS

PY010326 Madrid EFE in Spanish 2147 GMT 30 Jun 86

[Excerpt] Lima, 30 Jun (EFE) -- Augusto Lanatta, deputy minister of tourism, today announced that new security measures will be implemented at local airports to prevent terrorist attacks against Peruvian and foreign tourists.

As of 28 July only travelers can enter Lima airport, those who want to see them off will no longer be able to enter the facilities. These restrictions apply to those departing Lima as well as to people arriving in the city. People arriving at the airport and their vehicles are checked before they are allowed to enter the airport building.

These measures have been implemented after last week's attack on a train full of tourists traveling from Cusco to the ancient Incan fortress of Machu-Picchu. In this attack, seven persons died and dozens were wounded.

OPPOSITION LEADER FERREIRA LEAVES FOR ROME

PY301326 Paris AFP in Spanish 0034 GMT 29 Jun 86

[Text] Montevideo, 28 Jun (AFP) -- Wilson Ferreira Aldunate, top leader of the Uruguayan opposition, left this afternoon for Rome to participate in an international conference for peace. Ferreira Aldunate, leader of the National Blanco Party, will attend the seminar on Dialogue as the Foundation for Peace, organized by the Roman Town Hall and sponsored by the United Nations.

The National Party is the second largest political force in the country together with the leftist coalition Broad Front. It has an overwhelming majority in congress and continuously forces the opposition and the ruling Colorado Party (Center) to negotiate.

CNEA TO DISMANTLE SOLE NUCLEAR REACTOR

PY272225 Montevideo EL DIA in Spanish 21 Jun 86 p 13

[Text] The National Commission for Atomic Energy [CNEA], which comes under the Industry and Energy Ministry, has released a communique saying that the only nuclear reactor in the country is being dismantled without posing any danger to the people in our city or to those doing the work. The reactor is being dismantled because its life span has ended. The CNEA, which is the national authority on nuclear matters, decided to release the communique in answer to a statement made "without authorization" by an employee. This statement was published recently, but not by EL DIA. The communique says:

"There is only one nuclear reactor in Uruguay. It belongs to the CNEA, and it is installed at the Nuclear Research Center. The reactor was installed and commissioned in 1963 by U.S. experts during the exhibition Atoms in Action. The reactor was then dismantled and reassembled in 1978 by national technicians with the help of Argentine experts. It was used for the last time in 1985 with excellent results.

"Within the framework of the different technical assistance programs signed by Uruguay with the IAEA, an expert arrived last May who with national technicians made an evaluation of the current condition of the nuclear reactor. They came to the conclusion that its life span had ended.

"The CNEA, complying with the recommendations made by experts have decided to empty the reactor and store the fuel elements following the international regulations of the Radiological Protection on Matters of Security. This task been entrusted to the most capable technicians in this field.

"The plan to dismantle the nuclear reactor is being made in accordance with the IAEA recommendations. The recommendations represent a summary of experience gathered by many countries on dismantling nuclear installations. The different phases of the procedure are being planned with the cooperation of internationally recognized experts."

DE LA MADRID MEETS WITH FRG CHANCELLOR KOHL

PA301350 Mexico City XHDF Television Network in Spanish 0130 GMT 30 Jun 86

[Text] President Miguel de la Madrid met this morning with FRG Chancellor Helmut Kohl and with Conrado Storani, Argentine public health and social action minister, at the Los Pinos residence. President De la Madrid spoke for 30 minutes with the FRG chancellor and 15 minutes with the Argentine minister. In both meetings, they discussed bilateral and international topics. The visitors then accompanied the president to the Aztec stadium to watch the final game of the World Cup soccer tournament.

Kohl Departs

PA301420 Mexicc city XHDF Television Network in Spanish 0130 GMT 30 Jun 86

[By Lorena Martinez Rios]

[Text] FRG Chancellor Helmut Kohl returned to his country today after making a brief visit to Mexico.

[Begin recording] [Martinez] What about your meeting with the president?

[Kohl, in German with simultaneous Spanish translation] We have had a very open and friendly meeting. The relations between Mexico and the FRG are very good. I am very happy that the FRG is the number one foreign investor in Mexico. I hope that in the future there will also be investment in my country. We have viewed perspectives. We have discussed topics of mutual interest, on disarmament, and the policy of detente. [end recording]

Chancellor Helmut Kohl was seen off by Foreign Secretary Bernardo Sepulveda Amor.

ENVOY LEAVES FOR TANZANIA TO PREPARE SUMMIT

PA271647 Mexico City XHDF Television Network in Spanish 0300 GMT 27 Jun 86

[Text] Ambassador Victor Flores Orea has left for Arusha, Tanzania, where he will hold a preparatory meeting for the Group of Six summit. Ambassador Alfonso Garcia Robles and representatives of the leaders of Argentina, Greece, India, Sweden, and Tanzania will also attend this meeting, which will be held from 30 June to 2 July.

The foreign Secretariat also reported that Flores Orea will reiterate President Miguel de la Madrid's invitation to Tanzanian President Julius Nyerere to attend the Group of Six summit to be held in Ixtapa, Guerrero.

TALKS HELD WITH U.S. ON DRUGS, MONEY LAUNDERING

PA300055 Panama City ACAN in Spanish 0425 GMT 29 Jun 86

[Text] Panama City, 28 Jun (ACAN-EFE) -- This week the United States and Panama held talks to "reinforce" their joint cooperation in the suppression of drug trafficking and money laundering from the proceeds of drug trafficking.

An official communique published today by the National Banking Commission [CBN] reports that both countries seek "a more effective control of financial operations derived from drug trafficking."

According to the document, which does not say where the meetings were held, Panamanian and U.S. delegates met on 24 and 25 June to "outline the importance that both countries give to the fight against the use and illegal trafficking of narcotics." The document adds: Panama and the United States "reiterate their interest and desire to protect their banking and financial systems from misuse." The note states that during the meetings, "the sources of specific problems and better alternatives for their effective solution were sought, both locally and at the international level."

The CBN, which groups together more than 120 banks from all over the world, recently refused to break the banking secrecy law which protects its cash transactions, as had previously been suggested by U.S. financial and political authorities to combat the laundering of money from narcotics trafficking.

CBN President Mario De Diego said that the percentage of money laundering operations in this country "is minimal."

DELVALLE REPORTEDLY VEXED BY NORIEGA'S SLIGHTS

PA301950 Panama City LA PRENSA in Spanish 30 Jun 86 p 24 A

[From "In a Few Words" column]

[Text] The public submission of Mielvalle [Panamanian President Eric Arturo Delvalle] contrasts with his private sessions with those close to him and with the diplomatic envoys accredited in Panama. To wit, he was really chafed when Bokasa [General Manuel Antonio Noriega] went to Costa Rica to meet with President Oscar Arias Sachez, first, without bothering to tell him, and afterward, without caring to report to him what he had talked about with the Costa Rican president. He also got offended when Peruvian President Alan Garcia and Mon General [Noriega] directly settled the Pia Vesta affair, going over his, Raspaduro's [Delvalle's] head. Like the prime minister of an Evelyn Waugh novel, Mielvalle can quite rightly complain that "nobody tells me anything."

I am saving the greatest affront, the supreme insult, for last. During the Night of the Lieutenants, a national network was announced. Delvalle had no idea what the heck for. Biting his nails, nervous with impatience, he waited for someone to tell him. But NOBODY TOLD HIM ANYTHING. [upper case passage published in italics] He learned about Praetorian Maximino Vaprio's harangue as well as about his own speech at the same time as the rest of his countrymen. How about that?

NORIEGA, NICARAGUA'S RAMIREZ VIEW CONDECA

PA290147 Madrid EFE in Spanish 1540 GMT 28 Jun 86

[By Franco Rojas]

[Excerpt] Panama, 28 Jun (ACAN-EFE) -- The government in Managua has claimed that the possible reactivation of the Central American Defense Council [Condeca] and the millions in dollars in aid granted by the United States to the anti-Sandinists are instruments of aggression used against Nicaragua.

Nicaraguan Vice President Sergio Ramirez told ACAN-EFE that the United States is promoting the reactivation of the Condeca as "an instrument of aggression" against his country. THe Nicaraguan diplomat participated in a 2-day meeting in Guatemala with his area counterparts to establish the bases for a future Central American parliament that will serve as a forum for finding solutions to regional conflicts.

Nicaragua has not been a member of this regional military organization since the Sandinist revolution's triumph over the dictatorship of Anastasio Somoza in July 1979. Ramirez said that Condeca "was a child that lived because Somoza, as the standard-bearer of U.S. interests, promoted it."

"We, he added, did not cease to belong to that regional military organization, but we believe that the U.S. Government is now trying to reactivate it as an instrument to carry out its aggression against Nicaragua." [quotation marks as received]

In this regard, General Manuel Antonio Noriega, commander of the Panamanian Defense Forces, told ACAN-EFE that Condeca must be renewed as a military institution, following the guidelines of the Contadora Group and "not those of Somoza." The Panamanian military leader said that the regional military organization now exists under "the bitter historical past of the Somozas, but it should serve as an advisor to the efforts of Contadora (Mexico, Venezuela, Colombia, and Panama)."

Sergio Ramirez pointed out that Condeca was conceived following a Nicaraguan initiative in the sixties, but it has been "dead" since the downfall of Anastasio Somoza.

The Nicaraguan vice president added that the millions of dollars in aid for "the mercenary forces" approved by the U.S. Congress last Wednesday, as well as the "blackmail of Central American countries" are aimed against Nicaragua. He said that the $100 million in aid the Reagan administration will grant to the contras constitutes a flagrant violation of international law and the principles of justice should rule international relations."

BRIEFS

ARRESTS FOR COCAINE TRAFFICKING -- A special antinarcotics force has captured a group of Bolivian drug traffickers who were trying to traffic cocaine in Panama. The arrrested are Mario Antonio Artega, Alejandro Gerardo Montalbo Saavedra, Miguel Angel Gonzalez Prada, and Luis Rene Gamarra Obando. The drug traffickers smuggled 8 kg of pure cocaine into Panama and were about to contact buyers. The confiscated cocaine is valued at more than half a million dollars on the international narcotics market. [Text] [Panama City Televisora Nacional in Spanish 0000 GMT 28 Jun 86 PA]

BELIZE

COMMITTEE TO STUDY GUATEMALAN CLAIM TO BELIZE

FL280226 Belize City Domestic Service in English 0100 GMT 28 Jun 86

[Text] A special select committee of the House of Representatives has been established to lock at and exchange information regarding the Guatemalan claim to Belize.

The establishment of the commission was announced by the prime minister at this morning's sitting of the House of Representatives in Belmopan. Prime Minister the Right Honorable Manuel Esquivel, in introducing the motion for the establishment of the committee, said that it was formed to provide for consultations and exchange of information in the search for a solution on the issue arising from the Guatemalan claim to Belize.

The prime minister said that the leader of government and the leader of the opposition have agreed and that the committee will be made up of four members of the majority party of the house and two members from the opposition party.

The members of the special select committee are the Prime Minister The Right Honorable Manuel Esquivel, chairman; the Deputy Prime Minister and Minister of Home Affairs Mr Curl Thompson, deputy chairman; the Attorney General and Minister of Foreign Affairs Mr Dean Barrow, the Minister of Labor and Social Services Mr Philip Goldson, the leader of the opposition Mr Florencio Marin, and the member for that [words indistinct].

The committee is to meet at least every 3 months and is empowered to make inquiries and advise of proposals for resolution of the Guatemalan problem.

EL SALVADOR

RIVERA Y DAMAS ON CHURCH'S ROLE IN DIALOGUE

PA301806 San Salvador La Voz Panamericana in Spanish 1400 GMT 29 Jun 86

[Sunday homily by Archbishop Msgr Arturo Rivera y Damas at the Metropolitan Cathedral, San Salvador -- live]

[Excerpts] On Monday I shall leave the country, and I will be absent for more than 3 weeks, during which time my efficient assistant, His Excellency Msgr Gregorio Rosas Chavez, will substitute for me. As you all know, I am the president of the CELAM [Latin American Bishops Conference] educaton department, and we have a coordinating meeting which will coincide with Pope John Paul's pastoral visit to Colombia. [applause]

Peace has not been a characteristic of this week, in which we have seen the most diverse and polemical attitudes regarding the dialogue of the FMLN and FDR with the president and representatives of El Salvador's Armed Forces.

As the talks have basically been between politicians, it is their task, their job, to participate in this debate with patriotic judgment. When the church became interested in the dialogue, it knew very well that this is a political problem and that those who take part in it are politicians.

That is why it is our mission to bring the parties together at the negotiating table, which does not necessarily mean that we agree on a tactical dialogue. That is why we proposed to both sides the establishment of talks mechanisms in advance to ensure results and thus avoid another frustration for the people, who rightfully view this third round of talks with mistrust and little enthusiasm.

The well-being of the people is what makes the church work for the dialogue, because the church has as one of its most profound characteristics its expertise on humanity. [applause] This mission of man is what has destined my humble service in favor of peace. [applause]

I have spoken to the point of satiation on the three areas in which we should put our efforts. The first one is to alleviate, in proportion with our means, the consequences of the conflict -- the displaced, refugees, widows, and orphans. The second is the conflict itself: tying to humanize it, shorten it, stop it from spreading, and solve it by peaceful means, with a nontactical dialogue. The third is to remove the causes of the conflict -- primarily personal and social sins -- by way of conversion and reconciliation with God and with our fellow brothers. [applause] This is our job. In the course of this, we have also given support to education, to training, and to structural reforms, but not because there is a certain party in power, as this is part of a temporary situation and the church goes beyond any temporary situations. Regrettably, the party that was in power before went so far with disrespect for human dignity that it provoked church opposition, especially during Msgr Romero's episcopate. The church does not live off temporary situations because it marches to God's pace. [applause]

ACOEES ACCUSES ARMY OF HARASSING JOURNALISTS

PA302346 San Salvador Radio Cadena YSKL in Spanish 1500 GMT 30 Jun 86

[Report by Raul Beltran]

[Text] Listeners of YSKL news service, this is a last-minute special report. The Association of Foreign Correspondents in El Salvador, Acoees, has issued a communique for the general public regarding the following incidents:

The Acoees document states that on 8 April the Salvadoran Army arrested three Acoees newsmen in Arcatao, Chalatenango Department. The detention of the three journalists lasted 11 hours, the communique says. It adds that the Army also confiscated their notebooks, films, and cassettes.

2. [number as heard] According to the Acoees communique, the Army actions were contrary to all the norms of conduct in regard to the foreign press, because the material confiscated was used by the Army intelligence, thus violating journalistic neutrality and harming our work.

3. Despite repeated petitions made to the commanders responsible of those actions and to the General Staff, three rolls of film have not yet been given back.

4. The Acoees document adds that one of the photographs taken during the trip appeared in a local paper on 22 May and, according to what we learned, that photograph was provided by the Army, thus creating a new violation.

5. The Army intransigence continues despite two formal protests made by IAPA and a protest letter signed by nine U.S. congressmen. The document says: We believe that we have been prudent in the handling of this matter by giving the Armed Forces almost 3 months to correct the situation, but the sole reply we have obtained is an unsatisfactory explanation saying that the material got lost. Therefore, we request the corresponding authorities to give us back the material that we gathered while on duty, and to respect the established international laws regarding the development of our professional activity.

The communique carries seal and signatures of authorized members of Acoees. It is also important to point out that according to preliminary reports, this document will be sent to international press organizations in order to report those actions, which Acoees describes as a violation of international journalistic norms.

ESQUIPULAS SUMMIT, CONTADORA 'FAILURE' VIEWED

PA262151 San Salvador Radio Cadena Sonora in Spanish 1830 GMT 26 Jun 86

[Station commentary: "The Failure of Contadora and the Esquipulas Summit Meeting"]

[Text] Guatemalan President Vinicio Cerezo never imagined that his (?proposal) for propaganda purposes both in Guatemala and abroad would result in a greater division between Costa Rica, Honduras, El Salvador, and Guatemala on the one side and the friendly country of Nicaragua on the other side. That is to say, President Cerezo thought the Esquipulas summit meeting would iron out disagreements among Central American heads of state and that the signing of the peace accord on 6 Jun would be a cinch. But the Guatemalan president's estimations were entirely mistaken.

He did not take into consideration that the deep wounds between Nicaragua and El Salvador due to the Salvadoran armed conflict -- fanned and backed by Ortega and his fellow commanders -- would cause bitter disputes and even inappropriate words between Duarte and Ortega. In addition, the Costa Ricans' idea of democracy would also cause strong discussions and confrontations between Costa rican President Arias and Commander Ortega of Nicaragua. Also, more than one exchange of accusations between Honduras and Nicaragua occurred during the meeting. In the meantime, Honduras acted as arbiter, making efforts to calm down those in dispute without letting them go to the extremes.

President Cerezo never once thought that Esquipulas would be the check in the Central American chess game and that this game would be checkmated in Panama on 6 June, when the area countries refused to sign the Contadora peace act, because the document did not clarify everything related to military exercises and advisers, verification and control of armaments, reduction in the number of offensive forces, balance of military forces in the area, and a host of matters related to each country's security in view of the growing arms race throughout all of Central America, except in Costa Rica.

Summing up, after trying to achieve peace in Central America for 3 years, Contadora has failed. We say this between quotation marks and in capital letters because the Mexican and Colombian Governments, which appeared as Nicaragua's friends at the outset, succeeded in these 3 years in letting the Nicaraguans arm themselves to the teeth, thereby preventing the United States from invading Nicaragua on its own, as happened in Grenada. With a well-armed and large army, tanks, long-range cannon, a modern air force, and sufficient prestige, Nicaragua could become another Vietnam for the United States. This fear of the American people forces congressmen and senators to avoid as much as possible meddling with their own forces in a Nicaragua that confronts them right to their backyard.

FMLN LIFTS TRANSPORTATION STOPPAGE ON 27 JUN

PA271913 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 27 Jun 86

[Text] Attention, the national transportation stoppage has ended. As of early this Friday, 27 June, highways throughout the entire national territory will be reopened. The national transportation stoppage decreed by the FMLN General Command has ended. We send our revolutionary greetings to all guerrilla units that participated in this successful national transportation stoppage that reflected the power of our people up in arms. In 7 days, this national transportation stoppage brought about million of dollars in losses to the economic mainstay of the Duartist dictatorship.

HONDURAS

DELEGATES APPOINTED TO DEMARCATION COMMISSION

PA281942 Tegucigalpa LA TRIBUNA in Spanish 25 Jun 86 p 7

[Text] In Tegucigalpa yesterday, the Honduran-Salvadoran Commission of In-Depth Territorial Studies closed two meetings dealing with 1) the installation of the Special Demarcation Commission; and 2) certain operational aspects of the implementation of the commitment to go before The Hague court.

In this respect, Mario Carias Zapata, president of the commission of In-Depth Territorial Studies, explained that the Special Demarcation Commission, consisting of four members for each country, was appointed and that its specific mission will be to organize the fieldwork to be carried out this year in order to place the border markings at the Goascoran River and to begin the work in the area of Nueva Ocotepeque.

The Honduran delegates for border demarcation are Pedro Pineda Madrid, Raul Andino, Jose Fausto Aguero, and Leo Valladares. The Salvadoran representatives are Deputy Foreign Minister Ricardo Acevedo Peralta, Abel Salazar, Jose Fonseca, and David Escobar Galindo. The official said that the geographic institutes of the two countries are collaborating in the demarcation work.

Meanwhile, the other meeting had been scheduled during the last session held by the commissions in San Salvador from 21 to 23 May. In addition, he said that the election of judges is regulated by the bylaws of the International Court of Justice [ICJ], by which the two parties must abide. Naturally, in this trial each side has the right to propose an ad hoc judge who may or may not be a national of either party, he added. He noted that the discussions also dealt with the manner of compliance with the stages stipulated in the commitment, which will become effective on 1 October and also called for the ICJ to be advised before 31 December 1986. Finally, he said the demarcation will be continued this year in order to complete the seven sections delimited in perpetuity.

According to reports published by Salvadadoran daily newspapers on 6 June, Major Roberto D'Aubisson, leader of the National Reformist [as published] Alliance (ARENA), accused the administration of President Jose Napoleon Duarte of treason for having signed a commitment. The news reports assert that in the commitment the insular questions and the maritime delimitations in the Gulf of Fonseca and the Pacific Ocean are submitted to the ICJ.

ROSENTHAL COMMENTS ON UNIFORM SALES TO EPS

PA271942 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 27 Jun 86

[David Romero report]

[Text] Honduran Presidential Designate Jaime Rosenthal Oliva feels that there are no ideological barriers in economic transactions. The presdent's closest aide feels that it is the same thing to sell military uniforms to the EPS as to the Nicaraguan counterrevolutionaries. Here are his comments:

[Begin recording] [13-second break in reception] [Rosenthal]...at no time should it be channeled through the Honduran Government.

[Romero] Do you feel that this is right?

[Rosenthal] I think that when Honduras exports or sells products it does not have to be concerned about who gets to use the products in the end. In this regard, Honduras must generate jobs and labor in order to give employment to as many Hondurans as possible. Therefore, if we can manufacture clothing, boots, shoes, or anything else, whether for Guatemala or El Salvador; or if at one point the Russians want to buy from us for the EPS, I think that we should sell to everyone.

[Romero] Pardon me, but [words indistinct] one can surmise that the $450,000-deal which the Armed Forces made selling the uniforms manufactured by the Honduran Army is lawful?

[Rosenthal] I am not aware of that particular deal. I have heard different stories regarding those checks. I am trying to get them in order to learn how the deal was handled. However, I would rather not comment on a particular deal of which I am unaware. I would be presuming to know how the exchange of checks was handled. I do have some information and it is somewhat different from other versions I have heard. When I see the checks I will gladly comment on how the deal was handled. I do feel that if the EPS wants to purchase clothing from Honduras, we will sell to them. If the U.S. Army or Government wants to purchase clothing from Honduras, we will sell to them. Our concern is to provide employment for all our fellow citizens. In this regard, there should not be any friction. We purchase cars in Russia, such as the Lada. We also purchase cars in the United States. I think that buying or selling Honduran or imported products does not mean that we are surrendering our dignity or ideology to anyone. [end recording]

PAPER SEES CONTRA AID AS DOMESTIC THREAT

PA290247 San Pedro Sula TIEMPO in Spanish 27 Jun 86 p 6

[Editorial: "$100 Million 'Charity' for Les Miserables of the Isthmus"]

[Text] The U.S. Government finally has been able to formalize its war on Nicaragua now that the House of Representatives has approved $100 million in aid for the contras, an action that represents a strong commitment to a definite military escalation. In the opinion of Democratic Party Congressman Thomas Foley, "it would be an unprecedented decision for the United States to engage in a war through procurement." This statement clearly identifies the contras as mercenaries.

The battle at the House of Representatives was difficult, but in the end, the East-West method of reasoning won. President Reagan won a big victory for his extremist position by using the argument of the Soviet bear threatening, from Nicaragua, vital U.S. interests and security. It is surprising how the U.S. legislative body, which is largely responsible for what happens in the world and which represents the people of the world's most powerful nation, can be so shallow with regard to very visible and very near problems.

The approval of this military assistance for the contras directly and deeply affects Honduras more than any other Central American country, except Nicaragua. The situations that will develop form this assistance can be easily predicted although the economic harm that will be done perhaps cannot be so easily estimated. In any event, the $300 million approved for four masquerades in the neighborhood as consolation money will not come close to compensating for the harm that will be done.

We imagine that President Azcona Hoyo and Congress President Carlos Ordin Montoya are happy. They have done their part to help the Reagan administration secure the $100 million for the contras. They went to the United States for that purpose, basically. They went there to declare, in their way, that the aid is necessary not for the sake of the mercenaries, but for the sake of Honduras' tranquillity.

The approval of the military assistance implies the war will be more far-reaching because the contra army encamped in Honduras, and using our territory as a base of aggression, will have definitely lethal arms, including heavy weapons. It is believed that there are between 20,000 and 30,000 contras, a force one-third larger than that of Honduras, in a Honduran border area over which they have absolute control and from which they have expelled our fellow countrymen.

Even if the Honduran Armed Forces were to naively believe that they can control that foreign military force which illegally remains in Honduras, violating our laws as well as international law, the true situation is something else. It has been said that the contras cannot have an air force so that the Honduran Armed Forces may have at least this advantage over them.

However, as the conflict becomes more acute and intense, the contras -- who already have helicopters and planes given to them by the CIA, as well as surface-to-air missiles -- will surely be given planes, unless Honduras ends up getting involved militarily and more directly in this war. Independent of factors that are extremely harmful for Hondurans, such as the continuation and increase in the corruption generated by the money for the contras -- about which there is sufficient and shameful public evidence -- the unrestrained arrival of Nicaraguan refugees; the impoverishment and destruction of coffee, basic grains, livestock and other farms in the border region of El Paraiso, Choluteca, Gracias a Dios, and soon, in Olancho; and insecurity throughout that extensive region, there are greater ills.

One of these ills will be the arrival, soon, of high levels of internal repression, with its touch of terrorism -- which will in turn generate more terrorism as well as the kingdom of death on both sides of the border. This is a $100 million charity job for Les Miserables of Central America, as Victor Hugo sarcastically would have commented on this.

NICARAGUA

NEWS MEDIA REACTION TO CONTRA AID APPROVAL

Radio Commentary

PA271641 Managua International Service in Spanish 1200 GMT 27 Jun 86

["Our Point of View on the Situation in Nicaragua" by Rodolfo Garcia]

[Text] The approval of more financial aid for the mercenaries that the U.S. Administration has been launching against Nicaragua is already yielding fruit in the form of condemnation and anger from the Nicaraguan people, who are sure the invaders will be defeated.

We are saying this because there is a clear fact: The Nicaraguan people -- with their vanguard, the FSLN -- are no longer scared or intimidated by the criminal policies of the U.S. Republican Party administration.

The people of this Central American nation have been instilled with more anger after learning of the apocalyptic decision of some members of the U.S. Congress. We say some because out of 430 members of the House of Representatives, 209 stated their opposition to the imperial demands. This shows that in that nation there are government officials who still believe in resolving conflicts by peaceful means and not along the warlike line of impositions that the U.S. President wants to continue implementing.

However, U.S. Congress complicity with the criminal and interventionist policies of the Reaganian administration clearly and significantly shows that the U.S. Government is confronting the Sandinist people's revolution.

Commander of the Revolution Daniel Ortega Saavedra, in analyzing the U.S. Congress political approval of the warlike attitude of the U.S. President, said that whoever in Nicaragua tries to make believe this is an internal problem would be acting as an accomplice of the terrorist policies of the occupants of the White House.

The Nicaraguan people will put such accomplices in their place and will give no room for the opening of an internal front composed by those who view that policy with satisfaction, the Nicaraguan president said.

We imagine that the North American citizens must be very sad to see how their tax money is being used. In a few days the U.S. people will be commemorating the 100th anniversary of the Statue of Liberty -- a symbol that is being exploited by the Reagan administration -- but Reagan and his acolytes are flagrantly making a mockery of the principles of liberty of other nations and using millions of dollars to destroy, kill, and intervene in small and poor countries.

In view of the new aggressive stand the U.S. President has against Nicaragua, President Daniel Ortega has said: Our best ally is the Nicaraguan people, and the people of Latin America and the world.

In this regard Commander Daniel Ortega stated: We will continue defending the revolution on the basis of our own resources and possibilities while counting always and in the first place on the solidarity of the Central Americans, of Latin America, and the world.

BARRICADA Editorial

PA281737 Managua BARRICADA in Spanish 27 Jun 86 p 3

[Editorial: "The Dollars Will Not Change the Mercenaries' Fate"]

[Text] Immorality, not the aggression, has been consummated. The earmarking of over $100 million for the U.S. Government to continue the aggression against Nicaragua does not actually mean the proximity of an imperialist victory, but rather an increase in the sacrifices imposed on the Nicaraguan people after the inevitable defeat of the counterrevolution.

In addition, the vote by the House of Representatives has placed the official seal on a war that did not require the House's permission for it to be launched. We will also be facing the consequences of a new level of aggression.

Regardless of any consideration or analysis of the situation that has been created, with such an appearance of legality, by granting the financing for the aggression, our defense mobilization and our efforts at giving more depth to the revolution are not dependent upon this new version of the war or the amount of funds that will reach the mercenaries. On the contrary, the escalation of the war and the conniving involvment of the Yankee legislators, plus the complicity of the "spiritual" mentors from the Catholic Church, are due to the progress achieved during the 7 years of revolution, i.e.:

1. The strengthening of the security elements obtained during the victorious battles against the mercenary forces.

2. The political and social stability achieved, despite the difficulties arising from the aggression and the economic embargo.

3. The consolidation of revolutionary power as evidenced by the people's identification and unity with their vanguard, the FSLN.

4. The defeat of the military alternative managed by imperialism through the armed counterrevolution.

5. The successful holding of the popular consultation and the open town meetings, and the overall drafting of the constitution.

6. Imperialism's inability to create an internal counterrevolutionary option to complement its armed option.

There is but one explanation for all this, namely, a constant increase in the people's patriotic awareness, which consolidates their unity around the FSLN and makes them participate in the work required to meet our defense and production needs. In this context everybody has a specific task to accomplish.

The people have not reacted against the discussions and approval of the financing for the traitors -- now turned pro-Yankee mercenaries -- with laments or simple denunciations. The people have remained mobilized for 7 years, independent of the mode of aggression imperialism adopts or how it withdraws each year because the conscientiousness and will to defend our homeland began with the confrontation against the Somoza dictatorship, which represented imperialism in Nicaragua.

We defeated the Somozists at that time the same way that we will defeat them now and will continue to defeat them forever.

TUNNERMAN CITES U.S. MEDIA REPORTS ON ICJ RULING

PA271757 Managua International Service in Spanish 1615 GMT 27 Jun 86

[Telephone interview with Carlos Tunnerman, ambassador to the United States, from Washington, by unidentified reporter in Managua -- live]

[Text] [Tunnerman] [Words indistinct] on all the major television channels in this country, the main storm on this morning's major newscasts was the report that the International Court of Justice at The Hague backed Nicaragua by a wide majority -- since almost all the rulings were 14 to 1 or 12 to 3 -- in almost all the points we submitted to its consideration. The Court clearly stated that the mining of ports, the aid to the counterrevolution, and all the other acts of aggression which the U.S. Administration has committed against us, constitute violations of international law, the UN Charter, the OAS Charter, and the common laws that guide relationships among states.

During the Good Morning America program our foreign minister, Comrade Miguel D'Escoto, appeared, reporting on the results of this ruling, from The Hague. He said that Nicaragua hopes that this will make the U.S. Government adjust its conduct to legal norms, since the world's highest court is saying that the U.S. actions are unlawful and are violating the most elementary norms of international law.

At this moment, accompanied by the two U.S. lawyers who were part of the legal team that presented Nicaragua's case to the International Court, I am on my way to a press conference with a large number of this country's news media, which have a great deal of interest in learning the details of the Court's rulings. Attending with me is Dr (Edmund Chase), a Harvard University professor and former adviser to the U.S. State Department during the John F. Kennedy administration. He is an authority on international matters, and he was a member of the team, which was coordinated by our ambassador to The Hague, Comrade Carlos Arguello. Also with me is Dr (Paul Wysler), who is another of our lawyers before the International Court and who has represented Nicaragua in many other cases.

At the press conference, we will report to all the U.S. news media on the results of this ruling, which constitutes a great victory for Nicaragua. Although the United States has said that it will not abide by the Court's decision and will not abide by the ruling, the fact remains that this ruling has worldwide impact since the world's conscience it is seen that the U.S. actions are unlawful and in violation of all norms. Therefore, it has been established that Nicaragua is a moral power. Its views have been correct and its accusations have been proven before the International Court. We were right to say that state terrorism was unleashed against us. The world's highest court has said we are right.

[Reporter] Dr Tunnerman, we would like to ask you if the United States could resort to legal loopholes so as not to abide by the Court's ruling. What can you say about that?

[Tunnerman] Well, the United States has already said that it does not accept the Court's jurisdiction on this case. In fact, it withdrew from the case because it saw that it was going to be defeated. Therefore, at this moment, the United States will do anything so as not to abide by the ruling. However, there are other measures Nicaragua can take. In addition, the Court said that Nicaragua is entitled to demand some compensation or to demand compensation from the United States because of the damage the counterrevolution has caused. Nicaragua will surely ask for that compensation in a subsequent phase of this process.

Still, we must view this basically as a moral and legal victory. Reason and the law are on Nicaragua's side. This [U.S.] Administration is opposing reason and the law.

[Reporter] One last question: Last night, President Daniel Ortega said that Nicaragua would appeal to the UN Security Council. Can you tell us what impact President Ortega's remarks have had in Washington?

[Tunnerman] That he would appeal to the United Nations?

[Reporter] Yes.

[Tunnerman] Well, now the International Court is part of the UN system, it is the judicial branch of the United Nations, we will surely report to the UN Security Council and the General Assembly on the Court's ruling. We will surely report on this ruling to all international forums to bring the unlawful and immoral (?practices) of the Reagan administration to the fore.

[Reporter] Commander Ortega also referred to making a denunciation of the approval of $110 million [figure as heard] in aid to the Somozist mercenaries, that is, to report it to the UN Security Council.

[Tunnerman] Sure. The Court's ruling said that aid to the counterrevolutionaries violates international law, the UN and OAS Charters. The United States should end this sort of unlawful action.

TANA COMMUNIQUE CALLS U.S. 'GANGSTER STATE'

PA271710 Managua International Service in Spanish 1237 GMT 27 Jun 86

[Communique issued by the Anti-Imperialist Tribunal of Our America, TANA, in Managua on 27 June; read by TANA Executive Secretary Freddy Balzan]

[Text] By approving President Ronald Reagan's $100 million to finance the criminal war the CIA is directing against Nicaragua, the House of Representatives and the Senate have turned the United States of America into a gangster state that threatens peaceful coexistence in Central America.

By merely having the U.S. Congress discuss this immoral petition, the North American nation had already violated international law because of its meddling in the domestic affairs of a sovereign nation, thus mocking and defying the Latin American community.

We are not surprised that the United States has taken the path of state terrorism and force because this is truly a policy applied by almost all U.S. Administrations against our nations since the last century under various names including the gunboat and big stick policies.

Even Lincoln's own people believe that this monstrous decision is an offense to all the so-called forefathers of their country. This conclusion was reached in a poll conducted by THE WASHINGTON POST showing that 62 percent of the people oppose the White House decision to squander the taxpayers' money to destroy peace and liberty in Nicaragua.

By silencing all the criminal activities of FDN leaders involved in international drug trafficking, corruption, and theft of funds, a complicity with these activities has been discovered at the highest level of the Reagan administration. Therefore, it has no moral authority to accuse other nations or the political leaders of those nations of being allegedly involved in these same actions.

Nicaragua is not alone because the path of dignity has been chosen instead of choosing the shortcut of treason followed by other leaders. Although it is true that this path is filled with anguish, limitations, and difficulties, it is the path taught by Sandino, Bolivar, Artigas, O'Higgins, and all the liberators of the past and present century to achieve victory in the face of colonialism.

GOVERNMENT FORBIDS MSGR CARBALLO'S ENTRY

PA302342 Panama City ACAN in Spanish 2316 GMT 30 Jun 86

[Text] Managua, 30 Jun (ACAN-EFE) -- The Sandinist government has forbidden Msgr Bismarck Carballo, a Nicaraguan Catholic priest, to enter the country, it was reported today by the state-owned radio La Primerisima in this capital.

The radio station said that the Sandinist authorities issued instructions to airlines serving the country that they not allow the clergyman to board any of their airplanes. He arrived in Miami, coming from France, and wanted to travel to Managua. La Primerisima said, after quoting official sources, that the government's decision was adopted after learning that Carballo "was carrying out a counterrevolutionary campaign abroad."

Msgr Bismarck Carballo is in charge of the Managua Archdiocese's news media and spokesman of Cardinal Miguel Obando y Bravo, president of the Episcopal Conference of Nicaragua. Archbishopric sources reported that Carballo had traveled to France for "an ecclesiastical tour." The sources added that Cardinal Obando y Bravo has contacted the Holy See so that the government will allow Msgr Carballo to return.

Spokesmen for the San Miguel church, in which Carballo is the parish priest, reported that the Nicaraguan priest went to the Taca airline office in Miami to purchase a ticket and travel to Managua. The clergyman was told at the office that the Sandinist government had issued instructions that he was not to be allowed to board an airplane for Managua. The sources added that the other airlines gave him the same reply when he tried to purchase a ticket to travel to the Nicaraguan capital.

Nicaraguan President Daniel Ortega warned during a public event last Friday that those Nicaraguans "who love Reagan should go to Miami."

ARCE COMMENTS ON SOCIALIST INTERNATIONAL SUPPORT

PA271348 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 26 Jun 86

[Text] At its recently concluded 17th Congress in Lima, Peru, the Socialist International, SI, reiterated its support for the Central American peace process promoted by the Contadora Group. The SI also reasserted its rejection of the Reagan administration's aggressive policy in Central America. These statements were made by Commander of the Revolution Bayardo Arce, deputy coordinator of the FSLN Executive Commission, upon his return from Peru.

[Begin Arce recording] We found that the friends [words indistinct] gave a favorable reception to the Nicaraguan position. They expressed their support, which was reflected in the resolution issued by the SI, in which the organization reiterated its rejection of the Reagan administration's aggressive policy, its support for the Contadora Group, and several other expressions of support.

Since the meeting was in Peru, a Support Group member-country, we had the opportunity to talk with Peruvian President Garcia about that. We talked to him before the inauguration of the SI Congress, and he not only reiterated his solidarity with Nicaragua during the meeting, but he also stated it very clearly in the inaugural address.

On our return trip we made a stopover in Panama and talked to Panamanian Colonel Roberto Diaz Herrera, chief of the general command of the Panamanian defense Forces, and to members of the foreign affairs committee of the Panamanian ruling Party, the Democratic Revolutionary Party. In our conversations, we found that they have the same attitude of commitment toward the Contadora peace efforts that we maintain. We agreed that at the present time there is a full plan, a campaign, carried out by the administration [not further identified] to weaken that peace group, not only by rejecting the last peace document, but also by undermining the group itself, in the same way it has done it with its slanderous campaigns against Mexico and Panama. With this attitude, the administration is trying to give the impression that the only possible solution is the warmongering one [word indistinct] in these conflicts. [end recording]

RAMIREZ REPORTS ON RESULTS OF EUROPEAN TOUR

PA281538 Managua BARRICADA in Spanish 25 Jun 86 p 5

[Text] "After 6 years of misinformation campaigns in Europe, of a constant attack by the enemies of Nicaragua, there is a more solid and clear opinion, and an appropriate environment to give in-depth explanations in Western Europe on the situation of our country." This was said yesterday by Vice President Sergio Ramirez Mercado, who has returned to Managua.

Ramirez, who headed a delegation of revolutionary government officials, met in Spain, Norway, Switzerland, France, Belgium, Italy, Algeria, and the GDR with presidents, foreign ministers, public officials, and political party leaders. He discussed the Central American conflict, the process of institutionalization of the revolution, and the Contadora peace efforts with them.

During the many contacts that the delegation had with leaders of religious organizations, nongovernmental cooperation organizations, solidarity committees, and the media, they found that there is a polarization of opinions about Nicaragua. Only the groups identified with the right wing maintain aggressive and inconsistent positions on the Nicaraguan revolutionary process.

He added: In addition, there is a wide range of opinions between parties, unions, government, civic organizations, parliamentarian groups, and media sources who support the revolutionary and democrtic institutionalization process in the country from different standpoints.

Approximately 70 of the leading media sources in those countries requested interviews with the Sandinist delegation, which gave at least 10 news conferences.

In the same manner, Nicaragua's cooperation and political links with the various countries visited, as well as with the EEC, were strengthened. Delegates of the revolutionary government have visited the EEC headquarters on four occasions, and this was praised by EEC official Claude Cheysson as an important political gesture in Nicaragua's cooperation with the EEC.

Nicaragua signed a cooperation agreement with the Norwegian Government, by which that country agreed to donate paper, fertilizers, and fish flour, among other items. A multilateral agreement was signed with the EEC, and technical cooperation was discussed with the other countries visited. A contingent of the Norwegian Peace Corps will soon arrive in the country, and the number of Spanish volunteer workers will be increased.

The Swiss Government agreed to continue sending volunteer workers to Nicaragua. "In the economic, commercial, and technical cooperation aspects, we have taken important steps that will strengthen the country during the current difficult economic situation," Vice President Ramirez said.

He said that the countries he visited are worried because while the Contadora Group has made a specific proposal to Central America, the U.S. Government insists on obtaining from the U.S. Congress additional funds to finance the terrorist activities in Nicaragua.

He stressed: "It is also a matter of concern among the most important sectors in those countries that several Central American countries are trying to disavow the Contadora Group, to invalidate its actions, and to terminate its peace efforts. This attitude is seen with amazement, as such positions are aimed at eliminating the negotiating efforts, so that no agreement can be reached."

He added that within the diplomatic and political circles there is much anticipation, not only over the debates on the $100 million, but also on the decision to be announced by the International Court on 27 June, "which will obviously carry great political weight and will have a great impact in many countries in the world."

Vice President Ramirez said that his meeting with the pope opens the possibility for an understanding with the Catholic hierarchy in Nicaragua. "We agreed to resume the dialogue between the [Catholic] hierarchy and the government, and it will have the Vatican's support."

Finally, Ramirez expressed his doubts regarding a meeting of Central American deputy foreign ministers in Guatemala, excluding Nicaragua, as Guatemala has said that it will not support any policy whatsoever aimed at isolating the Sandinist government.

"There have also been talks about renewing the Condeca [Central American Defense Council] to do away with the Contadora Group. However, the Guatemalan Government has said that it will not participate in military plans against the Managua government. This gives us confidence and hope that those attempts will continue to be stopped by the serious determination of Nicaragua and Guatemala.

TIRADO HEADS FSLN DELEGATION TO PZPR CONGRESS

PA292343 Managua BARRICADA in Spanish 26 Jun 86 p 5

["Communique" of the Secretariat of the FSLN National Directorate; dated Managua, 26 June 1986]

[Text] The Secretariat of the FSLN National Directorate reports the following:

Commander of the Revolution Victor Manuel Tirado Lopez, member of the FSLN National Directorate, will lead the FSLN delegation that will attend the 10th Congress of the Polish United Workers' Party [PZPR], which will be held in Warsaw from 29 June to 6 July this year. The delegation will also be composed of Sandinist Assembly members Daniel Nunez and Edgardo Garcia.

Secretariat of the FSLN National Directorate.

Managua, 26 June 1986.

"1986: 25 years later, all weapons against aggression."

RED BRIGADE MEMBERS ALLEGEDLY WORK FOR FSLN

PA260439 San Jose LA REPUBLICA in Spanish 19 Jun 86 p 15-C

[Text] Rumors have again emerged regarding the presence in Nicaragua of members of the Red Brigades, an Italian terrorist organization. The Italian Government has been informed that Mauricio Leonelli, Mauricio Falesi, Lorenzo Romero, Alessio Casimiri, Alma Chiaro D'Angelo, Gino Tomaso Liverani, Rita Cauli, Guglielmo Gulielmi, and Pasquale Maria Valitutti are in Nicaragua. The reports point out that some of these individuals are working as reporters and photographers for the FSLN Political Directorate.

Italian Embassy officials in Managua have personally seen Alessio Casimiri, Rita Cauli, and possibly Guglielmo Gulielmi. Cauli and Guglielmi are the leading suspects in the attack against Italian Prime Minister Aldo Moro during the seventies. It is believed that the two live together in Managua in a house near the southern highway at km 12.5. During the past few years Italian Government officials have asked the Sandinists about the presence of members of the Red Brigades in Managua, and the Nicaraguans have repeatedly expressed surprise and denied knowledge of their presence.

CASTRO DISCUSSES SPY CHARGES AGAINST NORIEGA

PA010226 Panama City Panevision Television in Spanish 0000 GMT 1 Jul 86

["Exclusive" interview with President Fidel Castro by journalist Norma Nunez Montoto at the Palace of the Revolution in Havana; date not given -- recorded]

[Text] [Montoto] Commander Castro: During a recent interview we held with you, you discussed the Panamanian military, their role within the Torrijist ideal, and thier responsibility to assume total sovereignty over the Panama Canal in 2000 with great respect. Those military men and, specifically, their commander, General Manuel Antonio Noriega, are currently the target of a strong campaign by U.S. congressmen and some of the U.S. media. The accusations include his having supplied intelligence to Cuba and the United States for a period of 15 years. We believe the Panamanian people would like to know and deserve to know your opinion on this.

[Castro] You know, Norma, when I learned you had requested an interview on an urgent basis, I assumed you would address this subject.

You're right. When you asked me several questions about Panama in the context of those lengthy news conferences, I spoke about the National Guard and its role in its country with great respect, as you have said.

What I did in fact was tell you what I think about the National Guard. I believe that among the Latin American military, one of the armed institutions that plays one of the most important, patriotic roles in this hemisphere is the Panamanian National Guard. This is an opinion I have held for a long time, since I was a witness to the process: Torrijos' rise to power, his policies, and his struggle to recover the canal. It was a long struggle, during which he rallied the support of world public opinion.

I remember the meeting that took place in Panama -- I believe it was a meeting of the Security Council.

[Montoto] That is correct.

[Castro] It was to discuss the canal problem. We always supported those demands. I believe Torrijos was always very touched by Cuba's support for the Panamanian struggle. I believe he led that struggle with great talent, and he succeeded. However, it was not easy. It took many years of hard work, at the end of which an important accomplishment was obtained: the fundamental principles by which the territory of the canal and the canal itself would gradually pass into Panamanian hands. These were concepts to be used to guide developments.

However, you know that there are many people in the United States who do not agree with the Panama Canal Treaty. There are many people in the United States who are thinking of backing out of their commitments. Now, this is something that I have talked about with friends, with many Panamanians, and that is that stability is vital for Panama, and that anything affecting Panama's stability is a very strong argument for not fulfilling the canal agreements.

Also, the National Guard needs to maintain its unity, and it needs to have the support of the people. This is very important for Panama due to that progressive and patriotic role it plays. Since Panama must take over the defense of the canal and it must show it is capable of carrying out the administrative and security functions of the canal, anything that disrupts Panama's peace and stability would ruin all the efforts that have been made for the recovery of the canal.

That is my opinion. I am fully convinced of that, and that is why I am always closely following what is happening in Panama. I think it is very important for the National Guard to maintain the [words indistinct] with the (?support) of the National Guard.

If the United States manages to destroy that National guard-people unity; if the United States manages to destabilize the country; if the United States even manages to divide the National Guard; then the canal will not be recovered in 2000. They will have all the arguments, all the excuses they want for not returning the canal to Panama. That is why I think that the Panamanian Defense Forces have a historic mission of great importance. They have a role that, moreover, many other armed institutions of Latin America do not play.

Then, I can tell you the following, and it is something that is very clear. There is a conspiracy against the National Guard, against Noriega, who is the chief of the National Guard. There is a [words indistinct] plan to discredit the National Guard, to discredit Noriega, and to separate him from the people. Naturally, all of this has a purpose, [words indistinct] to eradicate the Torrijist spirit within the National Guard. They know that if they manage to eradicate the Torrijist spirit -- that is, the patriotic, progressive spirit that Torrijos planted in his people and in the National Guard -- that would ruin all the accords, all the agreements concerning the canal, and Panama would not be able to recover the canal. I feel there is a very clear conspiracy.

Now then, how did this take place? I am going to tell you something that all of Washington knows, or at least, many people in Washington do -- however, this has not been published -- and that is how this campaign was carried out. This is not a spontaneous campaign. This is not an accidental campaign. This campaign was proposed by a member of the National Security Council. In Washington, they even know his name, the name of the is National Security Council member.

At first, the Pentagon was opposed to this; it did not like very much the idea of carrying out this campaign. It was very reluctant. In the end, the Pentagon also agreed, and the White House supported it, as did the State Department and the CIA. The campaign was therefore a well-planned thing. The instrument that was used is something that is frequently used: leaks to the press, alleged leaks to the press about alleged events or alleged information. In fact, they leaked these alleged reports concerning Panama to the press. That is how they unleash the mechanisms of an organized campaign. It is a campaign that is maintained, and the purpose of it is to make important changes in Panama's domestic and foreign policy. That is the objective that is outlined.

We could call it a dirty war against Panama, against the National Guard, and against Gen Noriega. I am going to try to explain this objectively, to answer your questions, and tell you what I think about those charges made against him, claiming he offered information to the United States and Cuba for 15 years.

Actually, they try to present Noriega as something like a double agent of the United States and Cuba. I think this has been done with a truly disloyal idea in mind. Among other things, I think it seeks to create resentment, suspicion, and division between Cuba and Panama. However, that sort of scheme does not work with us, because there is a long history, sufficiently long, of many years of relations between the two countries. Remember, this came up with Torrijos, who once said that every minute, every hour of the blockade against Cuba were an embarassment. He promoted the reestablishment of relations.

When Torrijos died, relations between the two countries continued to be normal. There was always an exchange, because Panama is a country belonging to the nonaligned. It is a Latin American country, a country interested in the area's problems. Throughout the years, there has been an exchange of delegations of various delegations that have come. There have been events such as when -- you remember -- in 1979 Torrijos himself came to the nonaligned meeting. We have received many visits by Panamanians. Generally, these are civilians who visit; sometimes, and not on just a few occasions, National Guard representatives participated in these delegations.

We exchanged views...[changes thought] we have exchanged views many times about international problems, nonaligned problems, international economic problems, and Central America. We exchanged views many times because Panama has always been interested in this issue. Well, what could have happened? We always exchanged political viewpoints on this or that problem. It is quite possible that a Panamanian official, either civilian or military, may have asked what Cuba thought about a given political topic. Well, this is not espionage. Do you understand? I do not believe in the veracity of these accusations; these are completely groundless accusations because, for example, as far as Cuba is concerned, Noriega never gave us intelligence information about the United States. Never. This would be senseless. The comments that we exchanged with him and the exchange of opinions with Panamanian representatives were principally political matters. Noriega never, on the several occasions that I talked with him after Torrijos' death and before Torrijos' death...[changes thought] that is why Torrijos sent him to Cuba. I never heard from him any intelligence information regarding the United States. We exchanged political information.

Another thing, Noriega never expressed hostility toward the United States. Never did I hear him express hostility toward the United States. I cannot accept the idea that Noriega also transmitted information about Cuba, because he never tried to sow hostility between the United States and Cuba; quite contrary, he was always interested in any possibility of improving relations between the United States and Cuba. I understood, deep-down, that he wanted to do something to improve these relations. I cannot accept the idea or believe, for a moment, that Noriega has ever passed intelligence information to the United States, information that affects Cuba's security. I do not believe that. I state this categorically, and I tell you that this is a lie, a plot. Noriega never assumed a hostile attitude toward us; I never heard him issue a hostile statement about the United States. In fact, I always ascertained his interest in doing something to improve relations between our two countries. I can give you an example, during an important...[changes thought] a critical situation, as a result of the Grenada invasion.

The very same day of the invasion...[corrects himself] in the early morning hours following the day of the invasion, when the fight was still going on, when our personnel were surrounded by Yankee troops, Gen Noriega made great efforts to attain a ceasefire; he made great efforts to avoid a bloody finale. He made great efforts so the situation would not end in a battle where, of course, the United States had aboslute numerical superiority. He called me in the early morning hours, quite interested in reaching a solution and thus preventing the next day's clashes, when it might have been possible to storm the Cuban positions. It was, like I told you, an extremely difficult situation for our personnel. I always remember that and thank him for it. It is further proof of how he was always interested in preventing these critical situations; that is what I always remember and bear in mind about Noriega's behavior. He was always friendly and kind with us. You know he generally is not a man for words, but we maintained contact. I can now tell you two things, categorically: One, Noriega never transmitted intelligence information about the United States to Cuba. Never. I do not believe, at all, that Noriega ever transmitted intelligence information to the United States, information that affected Cuba's security. I am completely sure about this and can categorically tell you this.

[Montoto] Commander, when you state that a National Security Council member planned this campaign, do you mean that it was exclusively aimed against Panama or the Latin American countries that...

[Castro, interrupting] No, no, no, no. He was the one who proposed that this campaign be carried out against Noriega, and thus manage to take Noriega out of Panama's political scene, to change the course of Panama's domestic and foreign policy, to annihilate the Torrijist spirit in the National Guard, and to reduce the National Guard's role in Panama's political life and Panama's destiny. They know that, as long as the National Guard remains united and the Torrijist spirit prevails in the National Guard, they will never be able to destroy the Panama Canal Treaties -- and they will have to fulfill them. The have only 14 years left. The most reactionary sectors in the United States hope to destroy...[changes thought] not to return the canal to Panama.

[Montoto] And the accusations about his participation in Torrijos' death?

[Castro] Well, look, do you want me to tell you the truth? That is an infamy. That causes even more indignation. I do not...[changes thought] that accusation is incredibly base. Those of us who know Torrijos very well and what he did...[changes thought] those of us who have an opinion about those events, those of us who know about Noriega's loyalty for Torrijos...[changes thought] Torrijos fully trusted Noriega.

We must not forget that during the difficult moments in Torrijos' political life, at the decisive time when there was an attempt to carry out a coup d'etat, it was precisely then when Noriega played a fundamental role to save the Torrijist process. Torrijos had great confidence, unlimited confidence in Noriega, and Noriega always responded with absolute loyalty. He was totally loyal to Torrijos, this we know. Each time Torrijos wanted to talk about any topic, about the struggle for the canal, about any support, or exchange views on that matter, he sent Noriega. So he had full confidence in Noriega.

When I read this accusation, I was further convinced that this is a preconceived plan. You know that the same procedure was used with Mexico recently. This same senator, Senator Helms, made slanderous and dirty accusations against President De la Madrid and Mexico, in a campaign against Mexico. Therefore, we see how two countries, Mexico and Panama, in a short period of only 1 month, or perhpas only 15 days, have been subject to violent accusations, to violent campaigns, which in my opinion is flagrant and blatant meddling in the internal affairs of those Latin American countries.

[Montoto] Would this have any relation with the Contadora Group?

[Castro continues speaking as Montoto asks question] [Words indistinct] United States, as it did with Chile, as it did with Allende. It orchestrated a campaign against Allende, to create the conditions for Allende's ousting. The United States is undoubtedly trying to create the conditions to remove a person from the scene who has such an important role as Noriega, to deal a blow to the National Guard, and to reduce its political role in the country. That is undoubtedly what the United States seeks to achieve in Panama.

[Montoto] Is there any similarity between this and the Philippines-Marcos and Haiti-Duvalier cases?

[Castro, laughing] No, there is no similarity, and there cannot be, because circumstances in Haiti and in the Philippines were absolutely different.

[Montoto] However, is there an attempt to adapt this pattern to Panama?

[Castro] Well, the situation is different, Norma. The United States supported the Duvalier dictatorship and Duvalier's barbarism, until the Haitian people [words indistinct] Duvalier. Then they took advantage of the opportunity and maneuvered to form a government junta in order to prevent the process from becoming radicalized. There was a crisis in the Philippines. There is no internal political crisis in Panama.

[Montoto] But there is an attempt ...

[Castro, interrupting] There is an attempt to create an internal political crisis in a country... [changes thought] there is absolute and total public freedom in Panama. The National Guard plays a moderate and discreet role. The National Guard has a historic, patriotic role of great importance. The National Guard has really withdrawn, it has actually withdrawn, it does not direct the country. It guarantees Panama's progressive, democratic process, but it does not direct the country. It is playing a discreet role. I see no similarity. On the contrary, Panama has a policy which has support: a patriotic policy, an independent international policy.

We must not forget that the United States Government does not allow an independent policy. Panama cannot be handled as a puppet. Panama cannot be handled as other countries in Central America -- I do not want to mention names. Some Central American countries are handled as puppets, but Panama is not. Panama is one of the four countries that comprise the Contadora Group. Panama is one of the countries that has contributed most with its effort to find peace in Central America.

Of course, this policy contravenes U.S. interests. It contravenes the aggressive and interventionist U.S. policy in Central America, which they do not forgive. Therefore, they want to behead the National Guard, or at least divide it, discredit Noriega withdraw the people's support, and divorce the National Guard from the Panamanian people. In my opinion, this is the purpose of the U.S. maneuver.

The United States is engaged in a blatant intervention in domestic affairs. Can you imagine what would happen if we did the same thing to Panama? What would they say about Cuba if we carried out a campaign of that nature?

I do not blame the U.S. press. I do not blame the U.S. press, because the press repeats reports and information that are supposedly true and that are supplied by the U.S. Government [words indistinct] the U.S. Government. So they reflect what the government filters to them. I think the U.S. Government is basically responsible. They wash their hands among them. They say that of course they are worried about the implications and accusations. That is what they say, but they are using diabolical methods.

I believe that... [changes thought] of course, I hope that the Panamanians will be aware of the situation; I hope that the Panamanians are aware of what it would mean to divide the National Guard and the people, of what would happen if the United States makes it its right to decide who can and who cannot be the National Guard commander; if the United States decides who should be the leaders of that country, if the United States manages to divide the National Guard. I hope that the Panamanians realize this, because if the United States achieves this objective, I have no doubt that the battle for the canal will be lost.

However, I have faith in the Panamanians, I trust them. I tell you, I believe the National Guard is intelligent and wise; it has managed to create a relationship with the people, and these links will not be broken. That is my opinion. I have faith in the National Guard's intelligence and wisdom, and in the Panamanian people's intelligence and wisdom. I have faith in the Panamanian people's nationalist and patriotic spirit, although I believe it has received a hard blow with this dirty -- and let us say surprising and unexpected -- campaign. I hope the Panamanians will unite, defend themselves, stay together, and preserve the country's interests. Of course, I have seen that the United States has accomplices inside the country. There is no doubt about that. They wish to promote division, and they wish to carry out their plans with the collaboration of the antipatriotic and most reactionary sectors of the country. That is my opinioin, I tell you frankly. If you want to know something else, with pleasure.

[Montoto] Only one... [changes thought] I know you are a very busy person, but there are other reports saying that during Nixon's government, there was an attempt to kill Noriega. Do you think that that could happen again, now that the campaigns...

[Castro, interrupting] We all know that the U.S. Administrations have never had scruples. With regard to assasination plots, I can tell you that I myself have been a target of such plans. They have not crystallized, but I have been a target of those plans and an assassination target for a long time. We have a long experience with that.

I do not believe any method stops them. You are accurate in pointing out that danger; I have no doubt that is possible, although I have no proof. However, it is possible. It is possible that, at some point, they prepared, or that at some point they thought of eliminating Torrijos first, that is possible. When do they say that plan was being prepared?

[Montoto] During Nixon's time.

[Castro] In what year?

[Montoto] They did not mention the year, but they only talked about...

[Castro, interrupting] But Torrijos was heading the Panananian Government?

[Montoto] Yes, it was known that Torrijos was at the head of the government...

[Castro, interrupting] But was Noriega at the head of the Panamanian Government?

[Montoto] And Noriega was head of the intelligence department...

[Castro, interrupting] Perhaps, at some point the United States, the U.S. Government planned to get at Torrijos, and it is also possible that they also tried to get at his closest followers. That is possible. However, I am most inclined to think that if their plans to separate Noriega from the political scene fail, they might try to kill him. I think the people should be also aware of that danger.

In addition, this campaign can also serve to look for a pretext, and then say that Noriega was killed by Panamanian people, by personal enemies, or something along that line.

In this regard, that campaign could be used to try to create the conditions to justify the murder. Thus, the danger exists. In my opinion, they could try to eliminate Noriega, especially if their plan to separate him from the national political life fails.

[Montoto] Well, Commander, we would like to thank you for your time. I do not know if at these difficult times for Panama and Latin America, you think there is a message...

[Castro, interrupting] Well, I think that I trust the Panamanian people and the Panamanian National Guard. I trust the Panamanians' wisdom and patriotism. I think they will come out of this aggression with flying colors. I do not need to encourage them. The Panamanian people do not need foreign encouragement. I repeat, I am sure they know how to behave under such circumstances.

Of course, you can tell the Panamanian people, the Panamanian Government, the National Guard, and the chief of the Panamanian National Guard that they have our affection and our solidarity.

[Montoto] Thank you very much.

CASTRO GIVES SPEECH AT ENTERPRISES MEETING

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[Speech by President Fidel Castro on 26 June at conclusion of meeting on enterprise managment held at Havana's Palace of Conventions -- recorded]

[Text] Companeros: We have without a doubt held an important meeting. We cannot say whether this will be a historic meeting or not. That will basically depend on its results. It is not easy to draw conclusions from this meeting because many topics have been touched upon. But some basic ideas and conclusions can be drawn. First, there is no doubt that in recent times a series of negative trends have manifested themselves in our society, which already have begun to become worrisome. Some of us noticed this before, some noticed it later, something that sould be considered in more depth. I have always believed, I have always been very much convinced that, in a country like ours, which develops its revolution in conditions so special, near the United States, and constantly threatened, so much so that during the past few years we have had to make a huge effort and spend large sums in view of the growing aggressiveness of imperialism. In a country like this we cannot afford to have the revolution politically weakened.

Many in the world marvel at our people's ability -- although it is a small people of the Third World, and an economically undeveloped people -- to resist the imperialist U.S. aggressions in the economic, political and military fields. I thing history will undoubtedly mark as a great feat the fact that our country has been able to pass this test successfully.

And I think we have achieved this precisely because of our people's spirit, morale, and courage, and because of their revolutionary awareness. This has never failed. There are untold proofs in every direction. I will mention only some of them. When the time came for the internationalist mission in Angola, more than 300,000 Cubans volunteered for this mission. I feel very few people in the world have demonstrated such a spirit. When the time came for an internationalist mission in Ethiopia, a country so distant, so far, in difficult conditions, hundreds of thousands of fellow Cubans -- a survey was made and the conclusion was reached that hundreds of thousands, more than 300,000 -- were willing to fulfill this mission.

Here is another example: When the Nicaraguan revolution triumphed and we were requested to send teachers -- they asked for 1,000 teachers. We also made a survey. This was more than a survey, and we asked for the teachers willing to fulfill this mission -- about 30,000 volunteered. Later, 2,000 were sent because they requested more teachers. They were sent to the most difficult areas of that country. Some areas were reached after 2 or 3 days of walking. In many instances, around half of those who went were women. Many were mothers. It is worthwhile considering the exemplary way in which they complied with this kind of task. When counterrevolutionaries murdered some teachers, 100,000 primary school teachers volunteered. I remember I received their signatures right after the congress of the Association of Communist Youth.

Our people have made great sacrifices. Our people, those who remained here, scornfully rejected the stance of the stateless people, those who emigrated, those who were in search of a consumer society, etc. Really, those who remained here -- and this included the great majority of our people -- I feel they have written a page of very great heroism and have offered special proof of their patriotism and awareness. Well, this is our country's greatest treasury and wealth. We have dreamed of educating the new generations in an even more revolutionary and more communist spirit.

We hope that the FEU [Federation of University Students] students, those from basic secondary schools, Pioneers, and particularly our youth, will be even more revolutionary than this generation. It was even said today that this generation is more revolutionary than the previous one. This has become a slogan of students and youth. In addition, this has been proved. For instance, when electronic technicians for the Armed Forces were requested -- this was about 4 years ago -- from a graduating class of about 300, the question was asked how many were willing to join the Armed Forces for some period of time to work as specialists. All of them, 100 percent, volunteered. More or less about the same time, when teachers were requested for Nicaragua, -- not teachers but doctors, because the number there was insufficient -- I proposed to the Nicaraguans to send them a group of sixth year students to work there and complete their degrees there and even stay there for 2 years afterward. About 1,000 students graduated during this period.

The 1,000 students were asked and 100 percent of them responded positively. They were willing to graduate in Nicaragua and also to work for 2 years. These are the many truly admirable proofs which I feel make our country strong and powerful. Many people have asked: Well, how is it that the United States has not crushed Cuba as one crushes a cockroach? But the United States cannot crush Cuba as one crushes a cockroach or a snake. The United States can never crush this country as long as this country continues to be as it has been so far. [applause] What has made us so powerful and invincible to economic and political aggressions and military threats?

This moral strength is what makes millions of men and women join the territorial militia troops. This moral strength is what makes them organize, train, and prepare themselves and to build fortifications by volunteer work. These are the fortifications, trenches, and shelters, of which [Roberto] Veiga talked about.

This moral strength is what makes them respect us. Because they realize that the cost of an invasion to Cuba is unaffordable. And you know how aggressive, arrogant, and insolent they are. Yesterday we received the news that the U.S. Congress approved, by a 12-vote majority, the $100 million for its dirty war with Nicaragua. Each day they get more aggressive and they show it in every way, yet they respect our country because we have earned that respect.

What made it possible for us to crush in a few hours the mercenary invasion in Giron, when half of Cuba's current population was not yet born? What made it possible for us to firmly resist here, 1 year after, the threats derived from the October crisis and for the entire nation to be on the alert, firm, united, and unyielding?

What made it possible for us to crush all the counterrevolutionary bands? What made possible the victory of our armed struggle during the last liberation war, when we had nothing more than two or three rifles, no money, and nothing else?

All this was possible because of our principles and moral strength, because of our spirit of sacrifice, unselfishness, and altruism. This was the raw material which made of our country, which was a Yankee semi-colony, or all but a Yankee colony, a socialist country, a communist country.

Consequently, what we are and what we may continue to be depends on this awareness and spirit. [applause] That is why I always admired and sympathized with Che's essential ideas which urge us to meditate. Marquitos [not further identified] clearly explained here that limits were even imposed on the norms, which had to be revised, on the C-25 and on other things he explained. Every time I recall [Che's] positions I greatly admire his great vision, his great capacity to foresee things, but none of us had any experience in this.

He mistrusted these mechanisms, but in the long run he died and the theory was not developed. In fact, we took what were then described as idealistic and unreal positions concerning the handling of our economy and the country's resources. We even incurred certain extremisms. It was spontaneous, almost as spontaneous as many of the things we have observed during recent years.

Thus, it was believed at that time that so many organizations were useless and several were abolished. We actually abolished the budget. It is a miracle that we did not abolish money. We abolished relations between the companies and ... [changes thought] In fact, we abolished controls, we lost control. Those mistakes -- because they were evidently mistakes -- necessarily brought about the need to correct them. Those were the times when we spoke only of moral incentives. We said absolutely nothing about material incentives. I would even dare say that we abused this. It was necessary to amend this but, in doing so, a system had to be implemented. Perhaps the ideal thing would not have been what we did at the time or what we did later on. What I mean is that even institutions that give results in other countries do not necessarily give results here. That is a historical reality.

I think that these experiences, the one from the past and the current one, must teach us that each revolution must strengthen and develop its own style and methods. We made mistakes when we all but rejected the experience of others, and we made mistakes when we copied the experience of others under different historical circumstances, with different developments, in diffferent geographical conditions, and with a different state of mind and psychology. That is why we were deeply concerned about current events.

Certain phenomena were not evident during the first years of the revolution, during the first 10 years -- or the first 15 years -- of the revolution. I remember the enormous efforts we exerted at that time, when more than 100,000 urban workers had to be mobilized to cut sugar cane. We have forgotten about that because the harvesters cut 65 percent [corrects himself] almost 65 percent of the sugar cane, and we have the efficient cane-cutters, processing centers, lifts, etc. Now 70,000 or 80,000 men do the work formerly done by 350,000 men. We had the spirit even though we were not aware of these phenomena. Many of the things we saw were completely new for us.

It seemed that free enterprise had been established in our country and that everyone had a right to trade, even to produce. It seemed that certain measures like the farmers' free market -- which more or less established farmers' free trade at any price -- associated with self-employed workers, degenerated into sales of quack remedies. I do not know if one can say that. In addition all these reforms had been creating a mentality, a different spirit. The farmers' free market emerged just when the cooperative movement was developing, and it becamse a restraining factor for the cooperative movement. The workers started selling on their own. Steps were taken forbidding trade and directing them to [indistinct word]. They went back to their old tricks, and by that time they had grown quite a bit in number.

The situation was put right, but soon we started to see another phenomenon: the self-employed person, who was even working with machines and obtaining raw materials from certain industries and other sources, sometimes including stolen goods. They even had several workers, and dozens of people selling for them. And not only this. Broom manufacturers with stolen raw materials kplus other elements of this sort, contacted cooperatives, and swindled the cooperatives or bribed them or confused them. The fact is that due to measures adopted so that cooperatives could produce and sell, as cooperatives they received 50,000 pesos without producing a single broom; they just allowed these new broom manufacturers to use their commercial permits.

When we analyzed the situation of the cooperatives we saw a lot of irregularities, chaos, and disarray everywhere we looked, which forced us to call that meeting with all the country's cooperative representatives to put an end to a host of irregularities, by the way, with very good results on the part of the farmers. We also discoverd that many, many state enterprises all over the country were linked to these irregularities committed by the farmers. There was practically a slogan [as heard] for total trade freedom. Everyone bought and sold. The cooperatives sold to enterprises they had no right to sell to. They would go into town and sell to the people, they would set up shop, there were all sorts of things -- real chaos -- and these characters had taken over the streets. They showed less and less respect for the authorities, less respect for the state, less respect for the revolution. Many peasants became rich. Some of them were already rich before, but the last agrarian reform law set a limit -- this was the second law -- a maximum limit of five caballerias [unit of land measurement] -- which was very radical at that time. There were some farmers -- some of them grew tomatoes, potatoes -- who were even making money with five caballerias.

To all of this was added a new caste of rich people: those manufacturers and businessmen who had emerged everywhere. To this was added all the resources that were diverted, plus the thefts. This reached the level of administrators, especially of small institutions, coffee shops, ice cream parlors -- they are small, but can sell 5,000 or 6,000 pesos -- and there were people who would steal 100 and even 200 pesos a day. Resources were diverted, like the individuals who would make off with a truckload of goods, or they would steal a stalk [cabillo] truck and would then sell it in Pinar del Rio, or they would steal a truck full of cigars and sell it for a lot of pesos. A lot of criminals like these began emerging. A growth in crime was noticed, but at the same time, of most concern was the noticeable yearning for money, a profit spirit, a spirit of enrichment, which was really invading our working class. This really worried us, because if there is one thing we must keep pure, it is our working class, which is our vanguard.

I would say, there is really a contradiction happening with regard to the teachers, who receive a relatively modest salary. We make demands of them, we exhort them to study, we steer them towards excelling and study. That is why we have more than 30,000 teachers, with nearly 3,000 graduated as primary school teachers. That is why we have more than 30,000 studying at universities. In not more than 12 to 15 years all the country's school teachers will have primary school teaching degrees. We have a 12,000-teacher reserve that allows for tens of thousands of teachers to study, because we give them the first and last years at the university. It might be possible in the future for us to give them the last and next to last years so they can study, when we have a suitable teacher reserve. I have used this example to explain that it is much more convenient to have a reserve of teachers, or doctors, engineers, or whatever, than to have people wasting time in offices, especially when I see the figures that were explained by Companero Marcos. In 1973 there were 95,000 administrative workers, and in 1984 there were 244,000.

In other words, before the economy planning and direction system, and before the reforms that were made, we had only 95,000 administrative workers, and now we have two and a half times that number. It is equally amazing that the number of management personnel has grown from 148,000 to 250,000. That means that for each new worker, for each new laborer, one managerial worker or one leader has been created. Look at that ratio. Never in the history of the revolution has personnel in this area increased by such a magnitude.

Would it not be better to have 40,000 teachers and professors graduated? Why? So that teachers and professors could be studying, or so that one day we could give a year off to each teacher.

So that we could have nurses, doctors, so that we could have technicians, so that we could tell an economist to go and study for a year. To convert all these human resources, if we have no jobs for them, into a definite job. Convert them into a great qualified reserve that might be of use in the constant self-improvement of all our technicians, our specialists, and all our professionals. It would be a thousand times more useful than having thousands of people doing unproductive work.

We do not bother the teachers, with them we do a great political job, but we do not offer them any type of encouragement, incentives, or awards. We do not offer them anything. They simply receive their wages, and as they improve and reach higher levels and assume more responsibility they get paid accordingly. With doctors we do the same. Because all these negative aspects were showing up in the services sector, we were witnessing a decline what was accomplished in the hospitals. In December, I held a meeting with all the hosptial directors, party secretaries, youth secretaries, nurses, and union members. It was a wide-open discussion which lasted 2 days. Since 54 centers were represented, we were able to analyze every detail. A lot of important information was released during the meeting concerning subjective and objective problems, although we had met to analyze the subjective problems.

We organized a work program, which is being implemented. The party is meeting with the hospital secretaries every month to check on the program being implemented. We are going to do the same thing with other sectors. Now we are working with the doctors. We can see the results. We are confident about the results of this plan which is eminently political.

I was saying how paradoxical it is that with the teachers and doctors, who are intellectual workers, we are doing political work and with workers we do not do any political work. With them we work on a basis of material incentives. We are spoiling them. I am concerned over the fact that while the setor comprised by the intellectual workers is receiving superior political development, the workers, who comprise the vanguard, are becoming politically underdeveloped. These are the signs we are seeing everywhere.

To me it is obvious that we have created a sort of mysticism. We thought that a system of economic management and planning could solve everything; or that the mechanisms [mecanismos] could to the same. We thought that we could forget about the political job we have to do and that we have nothing more do with regard to the party, the unions or anything else, and could just depend on the miracle of the mechanisms to solve the problems. But what the mechanisms have created are millions of problems.

In reality, this directorate of systems and planning committed many mistakes. I do not say everything is wrong. I do not say everything that has been done is negative. However, all sorts of mistakes were made; and no doubt about it, there were errors in judgment. I would go as far as to say, just about, that there were ideological errors. In other words, there are ideological confusions around all this. However, the fact remains that there was blind faith in the mechanisms, and these mechanisms were giving disastrous results.

We talked about construction and how it should be. I explained the situation to the construction workers. I did not do it to criticize the companeros of the construction industry. We have done a lot on behalf of the construction industry and the construction workers to give them prestige. It used to be that the worse thing you could call a citizen was a construction worker. Now, the construction workers have gained prestige. I am not blaming the organization, I am blaming the planning and distribution of resources. This shortcoming started to develop gradually, and before long it was deeply rooted.

I would say that the construction workers and construction firms have lost the habit of finishing the job on time. They do not seem to have any idea how to do this. They will be surprised the day they finish a job on time. I am saying this because I have seen the great effort being made by a brigade to do a great construction job in record time on a scientific institution of great importance to our country, which will be dedicated on 1 July. They have worked hard, they had all the materials on hand, but they will not finish on time. About 2 percent of the work is still to be completed. They almost finished on time; they were working at a good pace, and they were confident, but at the last moment, at 1 month or 45 days from the day of the dedication, they realized that they cannot finish it, and then you have the hustle and bustle, the demand for more workers from everywhere, disrupting the organization in other sectors. You have that final marathon in which productivity is not efficient and in which quality can decline.

A few days ago I visited the construction site, and I told them: Do not work so fast, you are doing a good quality job. Do not worry if it takes you 1 or 2 more months, I prefer it that way. Do not spoil everything you have done, because you have made a great effort; the work is excellent. [applause]

I realize that with this last minute effort, it will take 2 months to complete the work. This is the sort of thing we have to avoid. In the construction industry we have become stagnant. I hope that we can recover the vigor, spirit, and pride. Not in every project. There are projects which will take many years. For instance, in a thermoelectric construction project you build by units, each of which are put into use once they are finished. It will take us about 8 to 9 years to finish the two nuclear reactors, which will be the first in our country. As soon as they are completed they will be put into use, and then two more will be built.

There are gigantic projects, like in Moas, which demands a large investment of capital and resources and take years to start producing. We also have to take into account the fact that this is the first time the Soviets have built this type of industry with the type of technology we have here. This naturally takes time because there are problems and difficulties.

Naturally, there are billions of unfinished projects that are dependent upon these big projects that are still under construction. But what concerns us is the number of other projects that are not finished.

We became stagnated in the construction field because we were doing other things. It used to be that construction projects were completely finished. A school, a children's center, were delivered finished, with furniture, kitchen. They had everything.

I do not know what kind of fabrication was designed by the technocrats and theoreticians of the planning [corrects himself] of the Economic Management and Planning Systems Directorate who came to the conclusion that the investor should buy all these things. For example, if a municipality over in the eastern provinces is going to build a child care center, it has to find the furniture, outfit the kitchen, and contact the CEATM [State Committee for Material and Technical Supply] for the purchase of an elevator -- if it is a two-story building. It is madness. All the buildings, stores, cinemas, clinics, schools, and child care centers were built simultaneously in Alamar. Those who moved to Alamar that year know that the child care center was finished before the houses. [applause]

What has happened now? The integral nature of things has been lost. Towns were being built at the time, then industries were built, and the town were not built. Comrade [name indistinct] knows that I had to intervene and explain that we could not continue to build industries in Santa Cruz del Norte without building a single house. I had to intervene so that some houses were also built in Mariel, because they were building industries and were not building houses. Previously, one person was in charge of building a house in a the countryside; he was a responsible investor. Another person was in charge of building the aqueducts and sewers; another one was in charge of the roads and streets. At one time, all the plans were carried out in an organized way. The dairy farms, towns, roads, streets, and irrigation systems were built that way. The houses were even furnished, they were delivered complete. That is how the Isle of Youth was created, and it is admired by many visitors. That is how big projects -- like the one in Jaguey -- were carried out. That is how Havana Province was filled with roads, and you are perfectly aware of this. If we tried to do this nowadays with all the chaos we have qnd under our current system, I am sure that we would not be able to. The country must recover its ability to build things and to complete things. We will undoubtedly do this.

We also became aware of the great sophism, the great lie that there should be no excess workers in the factories and the system would prevent an excess of workers in the factories. Consequently, it was surmised that the concept of a microbrigade clashed with the Economic Management and Planning System Directorate. That is why it collapsed. All the people respected this belief, all the people respected this lie, this fable that the microbrigades, these microbrigades were conceived to provide additional work and that is how we want to revitalize them. In fact, we now have more workers in the companies, and we have an excess of workers in the factories. That is a reality. That is why the party adopted the decision -- which you have supported -- to establish the microbrigades again. I believe that we are going to raise the construction projects to meet our needs. [applause] I always said: Do not destroy the brigade system; turn them into enterprises if you like, but do not destroy the brigade system.

Well, they [the brigades] turned into more or less specialized enterprises: one specialized in architectural proejects, another in housing projects, another in industrial projects, etc. Well, we must recover the spirit that once gave us the ability to make many things, and to make great things. Anyway, as I said, our main concern was the workers' situation. I think this was really strategic, it was really critical. Many people were only thinking about money. This was a new trend. We must bear in mind that this negative trend was not influenced by a single person; it was the result of several liberal bourgeois viewpoints. The peasants' free market was really a bourgeois measure. I also think that the resurgence of self-employed workers is the result of a liberal bourgeois measure, above all, because it helps no one, does not increase the worker's awareness or create proletarians, and I believe that it does not solve any basic problems. I am talking about the active workers and laborers. I am not talking about the retired workers who may work in many ways.

Anyway, the fact is that the measures turned self-employed workers into industrialists. Many of them have countless businesses; countless businesses which include the evasive maneuvers, theft, etc. It is well known that the mechanic who works in a shop and then works on his own will earn much more money when working on his own. This has not been educational, positive, or useful, and I am very happy that it is at least quite clear. I did not ask the other comrades about this. I wanted to ask the party cadres and the youth cadres. I am very happy that they unanimously believe that a communist should never become a self-employed worker. [applause]

A Communist must devote 100 percent of his time to the revolution. A communist must devote 100 percent of his energy, his work, his life to it. If he is really prepared to give up his most precious possession, which is life; or to give his own blood, how can a Communist not be able to give up these petty and rediculous privileges? [applause]

As I was saying, the craftsmen were becoming corrupt. I have already mentioned the example of La Placita. However, the intellectuals were becoming corrupt. There were other liberal bourgeois measures here, such as the famous copyright, etc. I myself, when I realized that we did not have books for our universities... [changes thought] This was many years ago. Many years ago our students did not have books. A book would cost $100, or $80, and there were no dollars and no books.

So I said, a Third World country, a revolutionary country must simply nationalize copyrights. I said, who is paying anything for books by Cervantes, the great authors of the Middle Ages, and the great playwrights of ancient times? Who is paying anything for man's great creations throughout history? I said: Let us at least nationalize the technical and scientific books, and we decided to print in Cuba dozens upon dozens, hundreds of thousands of books for university students. We simply printed them.

We adopted the revolutionary decision to nationalize those books. We, the countries of the Third World, have to demand the right to appropriate all scientific-technical work. So, we copied books from Europe, the United States, and from everywhere to use them to educate our population.

Well, one day there emerged an era of full bourgeois revalidation of copyrights until, well, copyrights prevailed. I said: Well, I accept the idea of copyrights, but I raised an issue: that the principle we proclaimed of the right of Third World countries freely to use scientific and technical books must remain in the laws. Well, at least that remained. It remained in the laws.

Since then, many people have earned money. However, the manner in which one pays for copyrights is another piece of rubbish, because payment is made per quantity of pages, not on the basis of quality pages. I do not know if this has been straightened out, or will ever be straightened out.

The actual fact is that we have opened the way to the emergency of a new wealthy class in Cuba. [Word indistinct] reports about these large salaries and all these things we have been analyzing here. This is really worrisome.

I have already recounted this thing that happened to me. I do not know if you have already heard the story. However, I will repeat it because this impressed me very much. One day I was talking with a good brigade leader, the man that headed the brigade that built the 13th Congress School out there in Aguacate. He was the leader of the group, and I talked with him by chance because I went visiting and television happend to be there. [sentence as heard] I talked with him, and he sort of explained to me how things were going. I asked him; I talked to him about the multiple skills concept [multioficio]. He said yes, we have it in the integral brigades. He talked to me about the brigade and I asked: Is the multiple skills concept going on there? he said yes. There is the multiple skills concept because otherwise... nothing. I had never seen anyone talk to me about the workers this way.

He is a good worker! he said: There is the multiple skills concept because otherwise... no. He gestured to me this way with his hand... otherwise, no. There was already talk about our workers in this sense: No multiple skills concept, no pay. No pay if there is no multiple skills concept. As if they were mercenaries. So, that is why I said on 19 April that a new kind of mercenary had emerged.

I saw that they were really acting dishonestly. These people were earning 300,000 pesos. These people engaged in businesses of all kinds. These people began paying for automobiles in cash. What has happened? If you pass through Havana's interior you will find it teeming with automobiles dating back to the era of capitalism because these peasants have had money to buy anything that moved, as many as one, two, or three.

How do they manage? Nobody knows where they get spare parts, motors, all sorts of things of this kind. It is because they have money. Aside from this, there were still some 10,000 truck owners. I have the data somewhere. Can you imagine how much money those truck owners earned? [They earned] 50,000 pesos, 100,000 pesos, and some earned more than 100,000 pesos. Some even had three trucks and, if they had relatives, would give them the trucks to drive. Earnings of over 100,000 pesos a year...

Now then, when some of the technocrats and theoreticians in the Economic Management and Planning System directorate tried to favor the railways they came up with the idea one day of increasing the land transport rates. What type of socialist system! To get people to use the railways they came up with nothing less than the economic mechanism of tremendously increasing the land transport rates, when the state can very well simply instruct all agencies, all ministries, all enterprises to ship by railway with such and such (?conditions)! I doubt that socialism can be constructed if we do not actually have enough sense of discipline for things like this, to find solutions without resorting to these diabolical mechanisms.

What was the result? The raised the land transport rates and, consequently, the earnings of those 10,000 [truck owners] increased in such a way that after 3 years, when we had hoped that those vehicles would grow old and disappear some day, they are now more eternal than Methuselah. Because only 1,000... [changes thought] Some have built trucks and some have rebuilt trucks. Some are going around in trucks without having registered them. There have been no requirements in this regard, either. There are 9,000 [figure as heard] truck owners. They are the ones who, when the workers purchase cement and construction materials, are charging more for transporting them a few blocks away than the cement, the steel bars, and the lumber are worth. You know this. [applause] These are the ones who are carrying, who are earning large amounts of money on Saturdays and Sundays when the boys cannot come. They are the ones who go to the schools, to the countryside and transport people to the beaches. They earn all the money they want in every way.

Now there are thousands of small farmers who have become rich. There are thousands of truck owners who have become rich. There are thousands of quacks and whatnot who have accumulated much money by stealing. Again, there are tens of thousands of rich people in this country. What are the consequences? They will bribe anyone; they will corrupt anyone; I mean, anybody who is capable of having access to money. However, they corrupt many people. They are the ones who go to specific [aquellos] shops. They are the ones who hire a vehicle for 100 pesos and give a tip. They are the ones who, when a worker earns a prize, and can purchase a motorcycle -- like the tens of thousands that have been distributed -- go around offering any amount of money for that fully equipped motorcyle that has been sold to the worker.

When a worker purchases an automobile -- you know that a large number of automobiles is distributed among factories and working centers for the workers to decide, in assemblies, who will purchase them -- they show up. I know of the case of one worker who sold the car for 20,000 pesos. He cannot do so, but is led into committing a violation, because he was interested in a house, and he sold the new car for 20,000 pesos to build himself a house. This becomes a motive for corruption, a source of temptation for many people who are going around with money or who, as a peasant said...[changes thought] Often, they are the ones who go many times to the hotels, to all restaurants, to all those places, because they have all the money they need to do so.

These are the disadvantages of having dozens upon dozens of nouveau riche. We have been adopting other measures, like the ones I explained to you -- the measure on the quacks and the program adopted by the Politburo to fight crime. The party leadership also adopted the decision to revive the brigades to solve the serious problems we had regarding housing and a program called the program to sanitize the capital, according to which the police are being supplied with necessary means and more authority because these antisocial elements and lumpen commit abuses because of the fact that these are super decent police, the most decent in the world.

I said, well, our police are decent but will use an iron fist against criminals. They will not allow themselves to be subjugated, beaten, or frightened. [applause] Actually, what our people want, what revolutionaries want, is for the police to be more stronghanded with the lumpen. Well, they [the lumpen] are beginning to retreat. You can see more policemen on the streets; you can already see them on the beaches.

Steps have been taken since last year. They had already been approved, like banning beer on the beaches and all those measures you are familiar with. I understand you can go to the beaches now; that the number of bullies has decreased; that there is more respect for families; that there is more tranquillity. I have heard people say this.

All these things had become factors of corruption. I told Lezcano, look, Lezcano, it is about time to hold a meeting with the enterprises in Havana City -- all enterprises.

Then we decided afterward to invite those in the nearby province, which is a sister of this city because they depend on one another very much. That is why we set the date a few weeks ago and organized this meeting because the time has really come to discuss these problems with the workers.

(?Each project) was preceded by work done by the party and by work done by the CTC and the State Committee. Fortunately, all companeros have unanimously become conscious of the situation, of these problems, and of the seriousness of these problems.

Therefore, we have held meetings and carried out analyses to the extent possible during these hours. We have tried not to leave out any of the many issues that were discussed during the assemblies and the party meetings, and particularly those discussed by the municipalities [word indistinct] really very interesting. I think that the conscientiousness of the party cadres can be appreciated during these discussions at the municipalities because they deeply, cleverly, and wisely bring out the problems, inconveniences, and negative trends.

They themselves come out in favor of many measures. They have raised the point that the time of laid-off workers [interruptos] must come to an end. They have proposed the elimination of the franchises which, as Lezcano said, are letters of marque. They have proposed many measures. They have energetically raised the problem connected with the doctors who grant leave.

I think that this will be a very important turning point within this overall negative trend. Now then, it does not behoove us to adopt decisions here. In my opinion, we must not lurch. We must not, because of these bitter experiences, resort to extreme measures and destroy all of the good and bad things that have been done. I think we must be very equitable, very calm, and very cautious. The question is not to take radical, drastic, sudden, unthinking steps.

I think that we must maintain a management system. We must fix up the one we have installed. We can do nothing else now. I am sure that what we have to do now is to take this one and fix it up, patch it up [applause], see what can be adapted or not adapted, correct many of these things and some rather caricious criteria -- well, make the first rectification in something that was accompanied by the system of microbrigades. The microbrigades will not conflict in the slightest way with the system; they will not conflict with the economic calculations; they will not conflict with the enterprises, because we are going to work with surpluses, with what is really surplus, and will do so with surplus work [plus trabajo]. Of course, I know that since there is a surplus in many places, and since there are many interruptions, the category of surplus work probably will never be attained in many places, regardless of how hard they try.

This will not be attained. I know many working centers in which, if only the interruptionists were devoted to work, they would have a surplus. However, we will try to get the principle of surplus to operate as far as possible. If we ever reached such a [stage of] rationalization -- I do not think we will attain it for the time being -- this could mean an additional 100 minutes of work, 15 minutes of work, or 1/2 hour of work by the rest of the workers. However, we must uphold the principle of microbrigades with surplus work, regardless of how these realities I have mentioned turn out in practice, (?and this is) a rectification.

Veiga has proposed some things. Omarcito [not further identified] has proposed some others. I think what we must do now is sit down and think things over. We cannot adopt decisions here. It would not be right. I think that the Politburo, the party's leadership must sit down and think things over.

I cannot put off decisions indefinitely. I must make well-thought-out decisions, because life has taught us that we often make decisions that are not very well-thougħ-out; we fail to weigh all the consequences.

For the time being, the principle of paying wages in keeping with the quality and quantity of work is correct. It is unquestionable. That is, payment commensurate to work. We cannot and should not drift away from the socialist principle of paying according to the work done.

I think that we could even dislike the socialist principle; we could like and think that the communist principle is more just, because Omar [not further indentified] himself said that the socialist formula does not go beyond the narrow framework of bourgeois law.

I think that one of the mistakes here was that a concept was abused. It was really abused. The concept was not really applied, because when money paid is commensurate with the work and when many people -- through various, means -- earn money not related to their job, there is a violation of the socialist formula.

However, the socialist formula cannot be 100 percent applied either, because if a child needs education, we do not tell his father that he must pay for it. A child, a teenager, a youth is guaranteed an education. If a person needs very expensive medical treatment, we would not tell him to pay for it. If he must undergo a heart transplant, he is not charged for it, regardless of whether he is a quack, a criminal, or robber in jail. The revolution will not hesitate to save the life of a prisoner if it can, even if this involves a heart transplant that costs $150,000 in the United States. The revolution will do that for any citizen.

That is, there are things that the revolution guarantees for all equally: culture, recreation, and in a way, an education, health, etc. The socialist formula is applied via the wages. In other words, distribution cannot be 100 percent socialist in nature. Nevertheless, in keeping with our reality, we believe that we cannot help but apply the socialist formula to material production workers.

It would be stupid to apply this formula to the ICRT, or to say to a physician: Look, we will apply the socialist formula to you. Physicians are under another formula that is more egalitarian. Specialists, professors and teachers are too. Nevertheless, as I said, there have been attempts to corrupt the system such as the case of the teacher who was going to be paid for custody and similar cases.

Fortunately, we do not have those corruption elements, although that many teachers are teaching on their own. [Words indistinct] one is paid, the principle applied to the communists must be applied to techers as well. I would say that we mut fight against this negative trend.

Why? Because some families have more money. A youth [words indistinct] has more opportunity to win a slot, he has a tutor to teach him physics, chemistry, mathematics, etc. It could happen that those who have more money have more more chances to be admitted to an exact sciences vocational schjool, or perhaps a greater chance to enter the university. This is a privilege. It brings about certain inequalities.

However, in general, the payments to physicians and teachers are not based on a truly socialist formula. They are paid a salary in keeping with their abilities and knowledge. There are no output bonuses, there are no material incentives. However, we must be realists with regard to material production. We must apply that principle, because not even during the times of extremism and idealism, were cane cutters paid in keeping with how much cane they cut. That was realistic. Not even in those times was this mistake made.

I am referring to ratios, specific ratios, which could be very important when making payment in keeping with the work done whenever work can be measured in a clear and exact way. I suggest the example of the cane cutters. In the agricultural field there is very tough work. I believe that it would be idealistic to dismiss this fact. That is, we are going to pay...[changes thought] There was a time when we made the mistake on the wharfs by paying those who carried 2, 7, or 100 tons the same. Tractor drivers were paid the same, regardless of whether they plowed 1, 2, or 3 hectares. Transportors were paid the same regardless of whether they made 1, 5, or 10 trips. Those were negative experiences. We must not make that kind of mistake again.

It is unquestionable that this applies whenever the quality and quantity of work can be measured. I comment on quality first, because it is a disaster to pay only according to the quantity of work.

I believe that a very negative aspect of this entire situation is that quality has been forgotten. We have acknowledged that here.

Therefore, I think that in the area of material production it is correct to apply the principle of paying in keeping with the quality and quantity of work done. Of course, we have mentioned here many cases in which neither the quality nor the quantity were taken into consideration. I do not think much about men who work hard and strive to work harder. Men who do quality work and produce more and earn more money in the process. I do not lose sleep over that. That does not worry me. I do not see why that is against the principles of socialism and moral principles. However, it would seem absurd to me to see a communist having a permit to work on his own. I think that it is not correct for a communist to earn a lot of money that he does not really deserve, especially if his standards are low. We must have standards in our work. We must establish ratios when appropriate and possible. We must do away with them when they are not operational.

Veiga has set forth some ideas that we must study. Well what should we do? We should not err. It would be terrible to make other mistakes while trying to correct mistakes, or to fall in idealism while correcting mistakes and in turn to allow this to affect production. We cannot make this kind of mistake. I warn about this.

That is why I said that we cannot...[changes thought] I believe that we must continue to use the economic yardstick. We must review criteria and concepts. I think that it is correct to struggle to achieve profitability. I think that Companero Santiago Castro's speech here is a good example of how something can be done even with this horse: We can ride on it, we can move forward.

We cannot make that type of mistake. I am making this perfectly clear. I am saying that we cannot do that here. I believe we should continue making economic estimates. We have to review criteria and concepts. I believe it is correct to struggle to produce profits. I think that what Companero Santiago Castro said here is a good example of how we can still move with this horse, we can do somthing with it.

They have been able to make this agricultural enterprise profitable through prices and price reforms. It is possible that they have too many people as well as other difficulties, and that they do not have a perfect organization. The oranges enterprise and the Hector Molina [word indistinct] complex show that with current prices, hard work, and efficiency enterprises can be made profitable, but what has been happening lately is that the number of unprofitable enterprises has increased.

Profitability, however, must not be the at-all-costs goal of an enterprise. This year we had to harvest sugar. The most important thing for the country this year was not whether the industrial complexes were profitable or not, but whether or not we could save the sugar, whether or not we were going to be able to harvest the sugarcane downed by the hurricane. We had to harvest the sugar regardless of the cost. We have to acknowledge here that the sugar workers made a heroic effort. This was a most encouraging fact out of all the sour and negative things we have seen lately. [applause]

We had already lost 1 million tons of sugar because of the drought. When I saw the amount of sugarcane that had been downed by the hurricane I thought, realistically -- and I do not believe that my estimate was mistaken -- that the losses could fluctuate between 1.5 and 1 million arrobas [unit of weight equal to 25 pounds], tons, rather, of sugar. This was my estimate of hurricane-produced losses only. The sugarcane was not only on the ground, it was also mangled. Much of it was broken. What could have been saved from that? You should see what the sugar workers under the leadership of the party did, what they created.

There is a harvesting machine which they used. And they discovered that even if there is no hurricane it is good to have harvesting trays going behind them as they harvest because this diminishes the losses resulting from leavings from 12 or 14 percent, to 3, 4, or 5 percent. And this is good business.

It is possible that we will now increase the habit of having harvesting trays going behind the sugar-harvesting combines. At that time, let us understand this clearly, the fundamental thing for the country was not the profitability of industrial complexes, but to harvest the sugar. The harvest represented billions of rubles, of dollars, of pesos in exports.

At that moment we could bear a loss in an industrial complex. A sugar mill producing 100,000 tons of sugar, supplies us with millions and millions of pesos in exports to the Soviet Union. At that moment we could endure, without feeling disgraceful, losses amounting to 1, 2, or 3 million pesos.

There are things, strategically speaking, that are more important than profitability. We must try to be profitable because this shows efficiency and it is a way to measure savings and good utilization of resources, but we must not make mistakes.

The emerging of a quackish attitude could be due to the belief that many of these products are of no interest to the enterprise because they do not yield too much money and are not too profitable and therefore, they did not work on those products.

It is a shame that a socialist state cannot organize this type of production. I say to the companero: You have a list of 200 or 300 products and we are going to produce them all and we are going to produce them better. We have so many ways of producing them and so many places in which to do this. [applause]

They are often looking for jobs to give to convicts. Historically, convicts do handicraft work, pretty things. I remember that in the past, during capitalism, convicts used to make things and send them as gifts to see if anyone would have mercy on them and send them money in return. They did not sell the product of their work. They sent it away hoping that they would be paid for it.

The state can very much organize what those people produce, and it can use raw material that is stolen from the state and that can be acquired by the state. [sentence as heard] So we are determined, among other things, to organize the production of the 300 articles that were being produced, and to produce more.

One thing we are not going to do, for example, is to buy all the toothbrushes in a city to use the plastic in them to make little necklaces, etc. We are not going to be doing the crazy things that the quacks were doing. The quacks will simply have to withdraw.

We are going to be adopting all these complementary measures, as I have said. We are going to solve all these problems. Generally speaking, what I want to say is that we have to be cautious, prudent, careful, and wise, and do nothing that could negatively affect production.

Now I am going to speak about other concepts. Speaking about the quacks, I believe I deviated from the main idea. We were talking about profitability and then I spoke about merchandise that sometimes we stop producing because it is not profitable.

I say that all enterprises, regardless of how important the profitability factor is, must think first about the country's interests, about the interests of society. When an enterprise begins to think like a profit-oriented enterprise only, we are talking about a capitalist enterprise, an inferior-quality enterprise. It has to be so. That enterprise reasons: This does not suit me, so I will not do it. There have been cases of people who would rather import something than buy it here because they could buy the import cheaper, without considering that imported products cost the country foreign exchange. This can be done by capitalists, but not by a socialist enterprise.

So, if we are going to have savings estimates and prices as mechanisms, we have no other choice but to use them, even if this is somewhat similar to a capitalist scheme, let us have them, but let us also have a listing of the moral and revolutionary principles that must be upheld by socialist enterprises. Let us have a listing of what does not go against the interests of the nation, which is the fundamental criterion.

This is why I am concerned with our native tendency to chaos, anarchy, to a lack of respect for the law, to do whatever pops into our minds. Enterprises have often played the rascal. We know that. They have committed many blunders and done many dealings, and cheated a lot. This is the truth.

I believe that all the companeros who direct enterprises must revolutionarily check their consciences. We start from the idea that many enterprise managers are Communists, many are militants of the party. We start from the concept that enterprise managers are revolutionaries. [applause] We start from the concept that when we speak with them we are speaking with revolutionaries. They have to examine all those things they have been doing incorrectly: violating the law, doing improper things, things that harm the country, or things that promote corruption.

I tell them: The protecting of the workers' conscience is more important than meeting a certain goal. If I were at an enterprise and I had to choose between protecting the workers' conscience by acting honestly, and meeting the enterprise's goal, you can be sure that I would protect the workers' conscience and act honestly. This is more important. We cannot go and meet goals at any cost.

Of course I agree with Veiga that bonuses and the bonus concept must be studied and reviewed to determine if there is a justification for that and, if there is, then to determine where a bonus is justified.

We must decide if a bonus must be given because a goal is reached. This is somewhat absurd. A worker said here that the workers in his workcenter had been disgusted because there had been much talk about a bonus. I have never had the privilege of being an enterprise manager like Companero Marco, who for years has directed an enterprise, the Nuevitas Fertilizers Enterprise.

It is a shame because I would have more experience on the subject, but I try to imagine myself directing an enterprise. It must be a very hard life. Enterprise directors could evoke that program entitled How Hard Must the Life of the Mayor Be, and say: What a hard life enterprise managers have.

During the economic reform days, enterprise managers had their salaries increased, but nowadays everyone makes more money than the manager. This has been another consequence of the errors that have been committed, but I cannot imagine myself speaking to a group of workers and encouraging them to work hard because I am going to give them a bonus. I believe I would talk to them about the country, about the revolution, or try to find some other source of motivation.

There is the case of people at war, when man risks his life for freedom. Man can be motivated to make sacrifices and to heroism. We must realize the power of man's honor and pride. This is more powerful than money, I can assure you that. [applause]

A manager who believes in resolving things with money is one who does not have any trust in the honor and pride of the workers. I believe I would be offending a group of workers if I were to tell them: Companeros, let us do this, we have to do it, and if we do it you are going to get a bonus of 100 pesos. I feel that I would be blackmailing them, injuring them, insulting them. Whoever tells me something like that, I would tell him I do not accept that.

It would be like Lezcano coming to tell us that he is going to pay us some overtime because of the time we have spent here. That would be an insult. This is not the way.

The essential quality of a leader, of a director, be it in the political or the administrative aspect, is his ability to motivate people. This is the key. In capitalism material stimulus is king. Material stimulus is the stimulus par excellence used by directors, and the best directors are those who know how to promote the pride of the workers, the self-esteem of the workers. Even capitalism uses this element.

Capitalism functions on the basis of money and the directors, the managers, the executives -- as they call them -- who are more successful are those who can best promote human and personal interests in whatever they do, regardless of money. We socialists are forgetting the dignity and the pride of the workers and thinking about a stimulus of a material nature only.

There are many things that are worth more than a goal and than profitability. But we must firmly struggle for goals, for profitability, etc., because this is a way to measure efficiency at work.

We will have to study some things that were decentralized. What Risquet said is right: Problems as important as rules and salaries depended on thousands of persons and factors. This should have been handled in a uniform manner, in a centralized way. This is one of the things we have to study.

We have to study the situation of the laid-off workers [interruptos], to resolve it. We have to find an adequate solution. I prefer that they remain at the disposal of the enterprise, doing something for the time being, while we do not have microbrigades. Once we have microbrigades the ideal thing would be to pay them so that they go home. They are corruptive people.

We have to see how we overcome this phase of the laid-off workers, what to do about them, what makes a laid-off worker, and who can be considered one, if the laid-off category is to be maintained in some sector or industry.

What role should the Labor Ministry and the State Labor Committee play regarding these problems? I believe that what has been discussed here will have to be promptly and seriously discussed by the party's leadership. This has to be done with the criteria of being prudent, careful, wise, and not falling in extremisms, in illusions, in idealisms. This is what the results of this meeting and all the things that have been said here bring to my mind.

I believe that we must be, first of all, prudent. Without extremisms, but immediately, we have to begin implementing the instructions you were given.

We have to review norms and incorrect payments. Rectifications are political work. I believe that the workers and the labor movement have an important role in this, and the party also.

The labor movement zealously defended its involvement and it became its rallying cry after the 13th congress. I think that sometimes it went too far, I think that too much pressure was exerted at a given moment, and it became some kind of sacrifice -- who was involved and who was not involved -- and finally, almost anyone and anything were involved.

I believe that the workers movement plays a very important and responsible role in helping the party, in helping the revolutionary government and in helping the revolution to rectify all these mistakes that have been committed. I liked what Companero Alfredo said, and I particularly liked what he said regarding the battles he fought there in the most difficult working sectors. I am sure that the transportation sector is one of the most difficult sectors. I am especially referring to the taxi driver sector, for example, because this worker does not work with other workers. He works alone in the streets, he supervises himself. He does not work in the same conditions that prevail in a workshop, in a sugar mill, or in a construction brigade. This man works freely. He is a wandering worker. He drives around in his Lada car, and it is not an easy job. I also believe that bus drivers and truck drivers work alone, too. Many times because of the abundance of money and this flow of cash, some of them are tempted by thieves. All this takes place because the job is difficult. Jobs in service centers are more difficult, especially those in restaurants. There are many complaints. The job done there is not easy. That is where the party and the workers movement must work. They must sit down to discuss this, because we cannot declare ourselves incapable of facing the problem in these sectors. We must face the problems in the service, taxi rental, and transportation sectors. Even in the railroad sector there has been problems, and we are making a special effort in this sector because we need it. The country and the economy need it. There is a program for the next few years and the workers' response has been good. There used to be a lack of discipline, problems, and ridiculous forms of payment that decreased the quality of work.

But they are working on it. They are working in hospitals and in the tourist sector. It is a fight, a counteroffensive. It is not a campaign, it is a strategic counteroffensive to stop all these things. We must not be impatient, we must not rush to adopt measures. However, these measures cananot wait indefinitely. For instance, this about something about being discussed for 2 or 3 years, this is unacceptable. We must take the amount of time needed for each measure we take. That is why we cannot make any decisions here. We shall make them later, one by one. We will review all the problems, and we must work hard with problems such as the excess of resolutions, the excess of data, and all those things.

Tomorrow we are going to propose a meeting with the Politburo, and we shall invite ministers involved in the production of materials, we shall invite the companeros who are secretaries of the party in the provinces, who are here now. We shall hold an initial meeting to discuss the things we are mentioning here, so we can begin working immediately without rush.

I believe that this can be a historical meeting depending on the job we do in the future. If we start to make mistakes and if we start to be foolish, if we fall into extremes, if we begin to adversely affect production...[changes thought] no measures have been taken to counteract them. Here I asked about patents because it is a moral thing. I said, well, communists, to me it is clear that a communist must not participate in such things, but we must study this well. We must have good information, and we must not take any quick measures.

The commitment to carry out this revolutionary counteroffensive must prevail. It must be tuned with the political and ideological spects and with the heroic efforts made by the country in the area of defense. You know this; you are witnesses. I believe we can do this and the other things too. I believe we can make this effort in the microbrigade plan. I believe we can obtain the 150,000 tons of cement, and I believe that we can obtain the 15,000 tons of gravel for the plan we discussed here. I believe we can find the sand and rock one way or another. We shall speed up investments and all those processes. That is how we did it once, and I believe we can find solutions so that we can start energetically on a construction plan in the capital city with its existing labor force and energy. It will become a matter of honor for the capital city to implement its own housing project with its sweat and energy. This is what we are going to do. Most of these housing constructions will be done with microbrigades. Also [words indistinct], so that what happened at Alamar will not happen again. We still need some schools and polyclinics. These are things that will not use too much of the country's foreign exchange. They will only utilize some of the labor force and some of the country's resources.

We will not be able to start the microbrigades movement immediately. In a way [word indistinct] consultations being made by the microbrigadists. In addition, Companero Cabrera asked me to propose an idea: I thought about it a great deal; 26 tall buildings are being built, and they are not finished yet, because they are affected by a lack of workers. They were commissioned to be built by the state due to certain state needs. The microbrigades movement will not (?receive) some of the houses, they will go to the work centers and others will be given to those sectors that cannot create microbrigades and satisfy social needs. The regulations in this regard will be established. These houses are being built by the state to fill urgent needs. There was talk about [word indistinct] brigades of even only 40 percent of these tall apartments.

These buildings will be proportionally distributed; some will be given to work centers ending out brigades to finish these 26 multi-storey buildings located in the capital. In this regard, Cabrera told me that all the necessary materials to finish them are available. Therefore, the microbrigades will start working on these 26 multi-storey buildings.

Meanwhile, we must create the conditions to begin a program to build 10,000 houses at the end of the year. I am hopeful that we will be able to overcome material limitations in our attempt to find solutions.

I believe that we must not limit ourselves to this meeting only; we must establish a work plan; we must work hard in the upcoming months. I propose that we meet again within 1 year, at about this time. [applause]

We could organize the meeting better, we could report on what we have done. Then, the party will review the work done; as now, it will follow-up and then meet again. However, next year, we must not only check the 200-plus work centers, but all 916 work centers and issue a report on all of them: How did they fare? What experiences and problems did they have? What corrective action mistakes were made and what errors were prevented? We will meet here again to review the work done in a year. I hope that most companeros present here will meet again; I hope that managers will last longer, that they receive all the necessary support from labor unions, the party, and youths in order to carry out their duties. I hope they work together [applause] to make a review a year later, because we must follow this closely. We must pay attention to details, find out what happened in each center, and analyze other problems. We have not discussed production problems. Some came up incidentally, such as construction problems.

On our part, we discussed the problems of an electric filter factory that cannot produce them, because it is facing difficult conditions. This is a problem related to electronics. Well, we will see. I will analyze this with the companeros, there are 47 (?of them). We will study their importance and their situation and prevent others from opening. We must start a struggle to free the brigades, and the way to free them is to reduce them.

We must be prepared, because unpredictable situations could appear at any time. We must have constructive reserves. I do not share what Companero Cabrera said that we must optimize the plan; yes, we must optimize the plan, but it is much more rational to optimize investment programs. We cannot stop the process, because we again purchased factories that have not been assembled yet, such as the shoe factory. Unforeseen needs could appear at hospitals. In December, we witnessed a case when hospitals had to make special efforts. In fact, construction companeros are taking care of that. We must not only optimize investment programs, but also change concepts and the mentality of our construction brigades in the west. We must take away from them that apathy and habit of never finishing, of being resigned to work from 20 to 25 years at one-half and one-quarter of their capacity. We must ensure that brigades improve their work, and construction workers improve their work as well. We must ensure that they acquire a new attitude. This is already evident in a number of projects. We will rationalize them; we will analyze those that we actually carry out. However, even in this aspect, I think that we could report on progress achieved next year. I think that in our next meeting, the microbrigades will be working intensely and many of our problems will have been solved. Companeros, I harbor the hope that we will report a minimum number of mistakes next time; we will have avoided mistakes and problems. We will meet under our commitment with our homeland, revolution, party, and socialist ideals and the conviction that we not only have the willingness to carry out those objectives, but also the capability to carry them out.

I am sure that each one of these meetings have been encouraging; each one has borne fruit. The peasant meeting is already yielding results; the news being received is encouraging. We hope that the news to be received on your work in the next few days, weeks, and months will also be very encouraging. [applause]

BAHAMAS

NEW AMBASSADOR TO UNITED STATES APPOINTED

FL280038 Bridgetown CANA in English 2112 GMT 27 Jun 86

[Excerpt] Nassau, June 27, CANA -- The Bahamian Government has named its first female ambassador, who will serve as this country's representative to the United States. Mrs Margaret McDonald, a career civil servant, recently retired after nearly 50 years of public service. For the last six years she has served as secretary to the Cabinet, the first woman to occupy this position.

JAMAICA

SEAGA ANNOUNCES MUNICIPAL ELECTIONS FOR 29 JULY

FL301534 Bridgetown CANA in English 1520 GMT 30 Jun 86

[Text] Kingston, June 20, CANA -- Jamaicans will vote in municipal elections on July 29, Prime Minister Edward Seaga announced last night. But the prime minister told a conference of his Jamaica Labour Party (JLP) that he would not be forced into calling a general election.

The opposition People's National Party [PNP] is well ahead of the JLP in opinion polls and has expressed confidence of gaining control of the 12 municipal councils from the ruling party. Nominations for the 187 local government seats will be on July 7. The twice postponed vote will be the first major test for Seaga since the JLP won twin landslide national and municipal election victories in late 1980 or early 1981. Municipal elections should have been held in 1984 but they were first put off because a new voters register and reforms to reduce illegal voting were incomplete -- reasons which the PNP said led to its boycott of the 1983 snap general election -- and again last year when reforms that included a reduction in the responsibilities of the municipal authorities and the chopping of seats were proposed. The latter led to a prolonged wrangle and the eventual redrawing of boundaries.

The PNP has pledged to make the elections a referendum on the government's performance and says it will press for general elections if it does well. But last night Seaga stressed that while his party will use the election to promote its record, he saw no link between general and municipal elections. I want them to understand that there is a difference between a general election and a local government election. A general election, he said, would be called when the government was ready.

Saying that his administration had nearly three more years in office, Seaga declared: I warn anybody and everybody that you cannot force this government to call an election so don't try it. This government does not bow to threats.

In a snap reminder of the 1980 poll when over 800 people were killed that year, both the JLP and the PNP have called for a violence-feee campaign.

A joint statement from Seaga and Manley yesterday said that both men had secret meetings over the past several months discussing sensitive issues relating to the conduct of party political affairs and had agreed on the need for an election code of conduct.

There is a possibility of the proposed code being given legislative effect and a joint committee of the parties to discuss this and other areas of agreement.

At the latest meeting Friday, Seaga and Manley agreed that there should be no defacement of cities and towns with political slogans, grafitti, and posters.

In addition to the PNP and the JLP, which are expected to be represented in all municipal polling divisions, the Marxist Workers' Party says it will field some candidates.

Manley Reacts to Announcement

FL302318 Bridgetown CANA in English 2300 GMT 30 Jun 86

[Text] Kingston, June 30, CANA -- Opposition leader Michael Manley insisted today that municipal elections here in a months time would be a referendum on the Edward Seaga government. Victory by his People's National Party (PNP) should lead to a national poll, Manley said at a news conference.

He was reacting to Prime Minster Seaga's declaration last night that the outcome of the local government poll would have nothing to do with when he called parliamentary elections.

If the judgement of the people is clear, we would expect the judgement of the people to be respected with a general election, Manley said.

Seaga last night announced that Jamaicans would vote on July 29 for 187 councillors on 13 local government authorities, two years later than originally due. The election was first put off because a voters register and reforms to eliminate fraudulent voting were not in place, and then because the government introduced local government reforms.

The PNP, having boycotted snap parliamentary elections in December 1983 for the same reason the local government poll was first postponed is seeking to use the July 29 vote to call into question the legitimacy of the Seaga administration.

Manley said the main focus of his campaign will be economic issues, especially the programme of deregulation, devaluation and tight money. We will be looking at (them) in the context of the terrible deterioration of living standards, Manley said. The PNP would also highlight the emasculation of local government as well as corruption.

The PNP leader said a high voter turn-out would benefit his party. We are campaigning to secure as good or better a turn out than before, he said.

The voter turn-out at local government elections generally run in the mid 40 range, but has gone as high as 60 per cent.

MANLEY REJECTS PNP INVOLVEMENT IN SHOOTING

FL302306 Bridgetown CANA in English 2234 GMT 30 Jun 86

[Text] Kingston, June 30, CANA -- Opposition People's National Party (PNP) leader, Michael Manley, today rejected charges that PNP supporters had opened gunfire on ruling Jamaica Labour Party (JLP) members last night.

The shooting occurred as the JLP supporters were returning from a rally last night where Prime Minister Edward Seaga announced that municipal elections will be held on July 29.

The evidence available satisfies me that no PNP supporter fired on JLP members, Manley told reporters.

He declined to say what party investigations turned up, but said he would ask Police Commissioner Herman Ricketts to carry out a thorough investigation and to make public the findings.

JLP officials said today that supporters returning from the rally were attacked by PNP backers and that a car in a security convoy for National Security Minister Winston Spaulding had its rear windscreen shattered by gunshots.

Spaulding and Public Utilities Minister Pearnel Charles were at the time travelling in another vehicle, it was reported.

The Police Information Centre (PIC) said Commissioner Ricketts had ordered an investigation of the report.

The incident came against the backdrop of secret talks over the past several months between Manley and Seaga on the conduct of politics here, and a formal agreement to work towards a legislated code of conduct for electioneering.

In the meantime, a joint JLP/PNP committee is monitoring behaviour in this campaign, which both sides have pledged to keep violence free and fought on issues.

In a statement today, Seaga said that despite JLP supporters being attacked, his party would continue to strive for peace, which both parties genuinely wanted.

Said Manley at his news conference: We are leaving no stones unturned to ensure that our supporters are not responsible for acts of violence.

FBIS DAILY REPORT
CONTENTS
Latin America

Vol VI No 127 2 July 1986

ARGENTINA

LA PRENSA Comments on Soviet Press Conference [27 Jun] B 1
State Airline Pilots Start Indefinite Strike B 3
  Government Declares Strike Illegal B 3
CGT Not To Return to Talks With Government [BUENOS AIRES HERALD 1 Jul] B 3
Army Leadership Views Promotions, State of Law B 4
Bill Proposed To Close Uranium Complex B 5
Seventh Austral Devaluation Announced 30 June [BUENOS AIRES HERALD 1 Jul] B 5

BOLIVIA

Defense Minister Reasserts Armed Forces Loyalty C 1
Minister Shows 'Subversive' Leaflets to Press C 1
Government Sounding Out Leftists in Congress C 1
Special Ambassador Linares Renegotiates Debt C 2

CHILE

Del Valle on U.S. Territorial Observations E 1
Del Valle Says No Corridor for Bolivia E 2
Socialist Factions Condemn Reagan's C.A. Policy E 2
Reportage on Events Surrounding National Stoppage E 3
  Bomb Blasts, Fires E 3
  PCCh Calls for 'Violent Actions' E 3
  Valparaiso Communique on Stoppage E 4
  Students, Army Clash E 4
Human Rights Commission Seen as Part of Transition E 5

ECUADOR

President Calls for Unity To Face Problems G 1
Febres Cordero Comments on Economy, Stability G 1
1 Terrorist Dies, 5 Arrested in Police Raid G 1

PARAGUAY

Ministry To Study Uruguayan, U.S. Protests [LA TARDE 1 Jul] H 1
Ugarte Says Media Receive Cuban, Soviet Funds [HOY 1 Jul] H 1
Ugarte: 'Official' Trade With PRC Prohibited [ULTIMA HORA 1 Jul] H 2
Radio Nanduti's Sponsors Called 'Subversives' H 3
Charitas Director Not Allowed To Enter Country H 4

PERU

Garcia Denies Possibilty of Coup d'Etat J 1
Political Parties Appeal for National Unity J 1
    Belaunde Urges Solidarity 1
    APRA Supports Garcia J 2
    PDC Expresses Support J 3
Secret Burials Reported After Prison Massacres J 3
Briefs: Seismological Agreement With Japan J 3

CENTRAL AMERICA

COSTA RICA

Government Prohibits Transit of Contra Aid P 1
Briefs: Colon Devaluation; Salvadoran Debt Service P 1

EL SALVADOR

Acevedo Comments on Meeting in Guatemala P 1
Duarte Seeks 'Advance' Talks With Rebels P 3
    Venceremos Replies P 4

GUATEMALA

Cerezo Denies Meetings Planned With Rebels P 5
Hernandez on C.A. Parliament, Condeca Prospects [PRENSA LIBRE 28 Jun] P 5
GAM States Position on Investigative Commission [EL GRAFICO 20 Jun] P 6
    Army Rejects GAM Statement P 7

HONDURAS

Azcona Voices 'Regret' at Ferch's Dismissal P 7
Rosenthal Discusses Nicaraguan Relations P 8
Venezuelan Ambassador Accused of 'Meddling' [TIEMPO 30 Jun] P 9
Deputy Accuses Contras of Selling Arms to FMLN [TIEMPO 30 Jun] P 9
Briefs: New Ambassador to Mexico P 10

NICARAGUA

Arce Addresses Foreign Press, Fields Questions P 10
    Contra Aid, LA PRENSA Closure P 10
    Terms for LA PRENSA Reopening P 11
    Strictures on Opposition [AFP] P 12
    Citizenship for 'Foreign Agents' P 13
    ICJ Ruling Enforcement P 13
BARRICADA Explains Carballo Entry Denial [1 Jul] P 14
CPDH Leader Criticizes Human Rights Situation [LA NACION 21 Jun] P 14
UNO Questions EPS Version of EEC Official's Death [EL SIGLO 24 Jun] P 16
Rama River Floods Force Evacuation of Thousands P 17

- Meningitis Epidemic Noted; U.S. Role Suspected P 17
- Briefs: Finland Grants $20-Million Loan; New Spanish Ambassador P 17

CUBA

- Soto Meets With CPSU's Dobrynin 30 June Q 1
- Risquet Receives Ethiopian Party Official Q 1
- Havana TV Condemns U.S. Aid to Contras Q 1
- Castro Presides Over Politburo Meeting 27 Jun Q 2
  - Opens Genetic Engineering Lab Q 3
- Briefs: New Ambassador to Iran Q 3

CARIBBEAN

- Reportage on Caricom Ministers Meeting S 1
  - Barbados' Barrow Addresses Group S 1
  - Hoyte Calls for Joint Venture S 1
  - Rainford Marks Anniversary S 2
  - Barbados Urges Economic Integration S 4
  - Trade Credit Facility Discussed S 5
  - Commonwealth's Ramphal on RSA Sanctions S 6
  - OECS on Normal Trade Relations S 6

BAHAMAS

- Prime Minister's Party Wins By-Election S 8

DOMINICA

- IMF Negotiations Begin for $3-Million Loan S 8

JAMAICA

- Seaga Says Polls Show Swing in JLP Favor S 8

ST VINCENT

- U.S. Fishing Vessels' Captains Released S 9

TRINIDAD-TOBAGO

- PPM Presents Slate of Election Candidates S 10

SURINAME

- Two High-Ranking Military Officers Resign U 1
- Arron Reportedly To Join New Government U 1

OTHER COUNTRIES

COLOMBIA

- Pope Arrives for 7-Day Pastoral Visit V 1

PANAMA

Molirena Official's Car Destroyed by Bomb [EXTRA 30 Jun] V 1

VENEZUELA

President Appoints New Defense Minister V 1

LA PRENSA COMMENTS ON SOVIET PRESS CONFERENCE

PY011727 Buenos Aires LA PRENSA in Spanish 27 Jun 86 p 1, 4

[Article entitled "Another Disturbing Error," by J. Iglesias Rouco]

[Excerpts] No one was surprised, least of all the government, over one of the most unusual incidents of the many that have recently taken place here: the press conference called by the Soviet military attache and charge d'affaires during which the Soviets issued serious charges not only against Great Britain, with which Argentina does not have diplomatic relations; but also against the United States, with which Argentina maintains diplomatic relations, and very important ones at that.

It is obvious that such an initiative must have had the previous approval of the Argentine Foreign Ministry. In sum: Argentina lent its territory so that a "friendly" power could attack another "friendly" or allegedly friendly power. This is, however a flagrant violation of those rules on which international diplomatic activities are based. The same thing would have happened if U.S. military attaches, or Ambassador Frank Ortiz, or his aides had issued charges against the USSR. From what we understand, Washington has reportedly discussed the possibility of submitting a formal protest to the Argentine Government in one way or another, either a public or private protest, in view of this unusual incident.

But let us wait and see what happens. Without going into detail about certain curiosities, if you can call them that, of the Soviet press conference, like for example the fact that the Soviet naval attache did not participate in the press conference, despite the fact that the charges made by his Soviet Embassy comrades were partly centered on the Malvinas issue and on the alleged nuclear contamination of the southern seas. This is an issue that must be discussed in detail since there are two recent developments which perhaps explain some of the reasons which have moved the Soviets to make Argentina, with the consent of the Argentine Government, the scenario of the East-West confrontation (a confrontation which according to President Alfonsin should not involve Argentine or Latin America in general): On the one hand, the U.S. Congress has just approved the controversial $100 million in aid to the Nicaraguan anti-Sandinists, contrary to the predictions of both the Soviet Union and Argentine Foreign Minister Dante Caputo. Therefore, when the Soviet Embassy called Argentine journalists, everybody was aware that the U.S. House of Representatives would approve this aid. On the other hand, the so-called Argentine Peace Council, which is quite close to the Alfonsin administration, issued a declaration yesterday -- which is in complete agreement with what the Soviets said in Buenos Aires -- against the "star wars" program which today represents the great military technological advantage that the United States has over the Soviet Union (which is moreover the center of Reagan's present strategy and one of his most singular political victories, together with the approved aid to the contras). In this declaration, the Argentine Peace Council accused Washington of violating the SALT II agreements. Therefore, the diplomatic offensive that the Soviet launched a few days ago in Argentina has all the characteristics of a coordinated operation in Latin America that was equally well-planned by Moscow and Buenos Aires.

What is the ultimate objective of this operation? The similar points of view that the Argentine Government shares with the Soviet regime over the Central America issue and over the "star wars" program are well-known by all, since they were expressed by President Alfonsin himself. Therefore, they need no more explanation.

But behind this joint undertaking there is probably a third objective which is perhaps the most important of all which has driven the Soviets to organize this press conference in Buenos Aires and that perhaps has even driven Government House to accept it: the fear that the recent Chernobyl accident will result in the establishment of stricter international controls over the peaceful use of nuclear energy since these controls will not only affect the USSR but also the Alfonsin Government's nuclear plans (which are supported by the majority of the military chiefs).

These new controls would be inconvenient for the USSR because, in addition to complicating its geostrategic and political position, even in the military field, they would impair one of its carefully-drafted projects regarding Latin America, and that is the installation of nuclear plants in Cuba and the export of Soviet nuclear technology, and even of "turn-key projects," nuclear plants or the export of other elements needed for the operation of nuclear plants to other Latin American countries. This in turn would help these countries to allegedly achieve their "own" technology. Such was the case of the enriched uranium which the Soviets delivered to the Argentine military regime in 1980, and which 4 years later gave rise to the prospect of an Argentine "bomb". But the objective of all this is to create a nuclear destabilization in Peru, Colombia or Central America. These controls would also be inconvenient to the Alfonsin government because they would block even further its position against the Tlatelolco treaty. They would block the government position particularly regarding "sister" nations, and the export of its "own" nuclear technology to Latin America and Africa (nuclear "dissemination" according to the United States and the Europeans).

If we take into account these common interests that are possibly linking the Alfonsin government and "extremists" within the Agrentine military with the Soviet Union, at least in the nuclear field, there should be no surprise over the lack of information -- sporadic information and analysis -- over certain technical faults, high in political content, over the Chernobyl tragedy. The objective of this silence was to improve the Soviet Government's political image, and, simultaneously, to decrease to a minimum the just fears of the Argentine public opinion about the threat of nucear contamination. These were the charges that the Soviets made a few days ago. They did not only try to improve the Soviet "image" (at the expense of the Western society of the "north" with a story that has not been proven until now), but they also suggested that the control system of the Western hemisphere is of little use for the Third World. They thus provided an ethical and political justification for the Argentine and Soviet decision of opposing any kind of control.

We repeat: No one is more interested than the USSR in diverting the attention of Latin American countries from its nuclear failures. In view of this interest, we can clearly understand the newly-created diplomatic step to which the Soviet Embassy in Buenos Aires resorted on 24 June. But we must not forget that in so doing it can also bring up the Malvinas conflict, and with this wedge increase -- with their eyes set on Nicaragua and Central America -- the distancing between Argentina and the United States (and that of other Latin American countries as well). Thus, they wil consolidate their penetration in Argentina, which at all levels is today deeper than that of any other foreign power that has operated in Argentina over the past 50 years.

Although it is perhaps in keeping with true national interests, it is regrettable that the Alfonsin administration is, either consciously or not, helping to promote this policy which is designed to undermine Argentine-U.S. relations, which in the end places us formally in the scenario of the East-West struggle, a scenario in which President Alfonsin himself says tht no Latn America country should be involved.

If to this paradox we add the present clash between Government House, the Catholic Church, and the Vatican, the overall situation of our foreign relations is truly discouraging.

STATE AIRLINE PILOTS START INDEFINITE STRIKE

PY011509 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1133 GMT 1 Jul 86

[Excerpts] Buenos Aires, 1 Jul (NA) -- Aerolineas Argentinas domestic, regional, and international flights were completely stopped at midnight today due to an indefinite strike of Aerolineas Argentinas pilots who are demanding better salaries. This measure has been taken despit the fact that the Labor Ministry has threatened, among other things, to declare the strike illegal.

Aerolineas Argentinas President Horacio Domingorena this morning warned that since the Labor Ministry declares the pilots strike illegal, the company will study the possibility of firing some of the pilots who are on strike. Domingorena also said that there is no possibility that Mario Massolo, the secretary general of the Airlines Pilots Association (APLA), will be arrested.

Government Declares Strike Illegal

PY020153 Buenos Aires DYN in Spanish 2041 GMT 1 Jul 86

[Text] Buenos Aires, 1 Jul (DYN) -- Labor Minister Hugo Barrionuevo has reported that the national government has declared illegal the indefinite strike by the Aerolineas Argentinas pilots, and admitted the possibility that the state company may dismiss the strikers. The minister did not rule out the same possibility regarding the 72-hour strike that has been called by teachers beginning tomorrow in demand for better salaries. In declaring the pilots' strike illegal, the labor minister noted that "this means that Aerolinas Argentinas can immediately order the dismissal of personnel."

Barrionuevo explained that the Airlines Pilots Association (APLA) has been notified and has the right to ask for reconsideration by the authorities who adopted the measure, to appeal to higher ranking authorities, or to take the case to court." [quotation marks as received]

However, Minister Barrionuevo said, "We have taken all the steps necessary to comply with the administrative procedure, not only to declare the strike illegal, but also to ensure the observance of the measures adopted as a result." Barrionuevo did not discard the possibility that the teachers' strike could also be declared illegal, and said that within the next few hours, the Education Ministry will probably send to the labor ministry "the necessary information so we can contact the CTERA [Confederation of Education Workers of the Argentine Republic]."

CGT NOT TO RETURN TO TALKS WITH GOVERNMENT

PY020116 Buenos Aires BUENOS AIRES HERALD in English 1 July 86 p 9

[Excerpt] (NA-DYN) -- Tension between the government and labour grew yesterday as the General Confederation of Labour (CGT) announced it would not return to the socio-economic conference talks and would speed up plans for a 12-hour general strike sometime this month. A spokesman for Labour Minister Hugo Barrionuevo immediately retorted that Barrionuevo would not meet with CGT secretary-general Saul Ubaldini because the labour minister "has already said everything he has to say."

Meanwhile, a high government source denied rumors of differences between Barrionuevo and Economy Minister Juan Sourrouille over how to handle the labour situation, saying the two are "working together." The source said the CGT's wage demands are too high for employers to pay, forcing factory-owners to ask the government to allow price increases, "which obliges the Economy Ministry to intervene."

The CGT executive council agreed not to return to the conference talks with employers and government, one labour source saying the CGT would not go back to the negotiating table because of the government's "ratification of the Austral plan and budget constraints." The source said the CGT would stay away from talks now in order not to have to "slam the door" when it leaves the talks later.

Ubaldini said after the meeting that some top CGT officials had kept in contact with Labour Ministry officials but that the talks "have not been positive." He added that if the government does not make a "structural change in (its) socio-economic policies," the CGT would go forward with the strike and dramatize it with a downtown rally. Ubaldini said the CGT will hold a plenary of local secretaries-general from around the country on Thursday or Friday to decide on a date for the stoppage.

A Labour Ministry spokesman, meanwhile, said the government has no wage proposal to send to the CGT and denied rumours that Barrionuevo may resign.

ARMY LEADERSHIP VIEWS PROMOTIONS, STATE OF LAW

PY301535 Buenos Aires TELAM in Spanish 2259 GMT 27 Jun 86

[Text] Buenos Aires, 27 Jun (TELAM) -- Army Chief of Staff General Hector Rios Erenu today urged the Army leadership to continue working to reaffirm the state of law and to continue giving the necessary support to the community within the framework of the Army's traditions. Rios Erenu made this statement while closing a meeting of generals which had been scheduled on the military agenda. The meeting started yesterday at the Libertador building, the Army's headquarters. Defense Minister Jose Horacio Jaunarena also participated in part of the meeting.

At the meeting Rios Erenu heard reports from the Army Corps commanders and from the Army imspector general, General Nado Dasso. Later, Rios Erenu urged the Army leadership to make efforts to maintain the observance of the operational capabilities under the current situation. Rios Erenu also urged the generals to continue seeking their final integration to the constitutional order, convincing all ranks of the need to reaffirm the state of law.

Rios Erenu mentioned the need to conduct activities that are planned to effectively use personnel and funds in order to further reorganization task. He stressed the requirement of achieving an effective rationalization of the Army budget.

After this meeting the Promotion Board, chaired by Army Deputy Chief of Staff General Mario Sanchez, met to discuss reassignments, promotions, and retirements within the Army's upper echelons.

During a working luncheon, the Army chief of staff and the Army leadership reportedly continued discussing a decision by the Buenos Aires Federal Apellate Court to rule on some 300 cases that are pending with the Armed Forces Supreme Council. Another subject reportedly discussed was linked to the statement recently made by Leon Arslanian, a member of the Federal Appellate Court, who said that civilian courts will continue ruling on cases involving human rights violations committed during the past military regime regardless of their possible political repercussions.

It has been learned that this matter will be reviewed again by the Army chief of staff and Defense Ministry officials despite the fact that Army sources have reiterated that court rulings will be respected.

Afterward, Gen Sanchez held a meeting on the fifth floor with the generals who make up the Promotions Board to discuss reassignments, promotions, and retirements of Army leaders, as is customary at this time in the annual military agenda.

BILL PROPOSED TO CLOSE URANIUM COMPLEX

PY011845 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1225 GMT 1 Jul 86

[Text] Buenos Aires, 1 Jul (NA) -- Deputy Juan Manuel de la Sota of the Peronist Renewal Faction has introduced to the Chamber of Deputies a bill seeking the preventive closing of the Los Gigantes Uranium Processing Plant [complejo uranifero] in Cordoba Province, claiming that it is polluting the area.

The Cordoba lawmaker has asked the National Commission for Atomic Energy (CNEA) to close the plant until "the necessary measures are taken to prevent it from continuing with impunity to pollute the Cajon Cambucha and San Antonio Rivers, and the San Roque Lake."

Based on the alleged evidence of the pollution of the rivers, the Cordoba lawmaker asks CNEA to provide, with the urgency required by the case, the means to prevent the ecological damage reportedly being caused.

De la Sota also demands that the concessionary enterprise exploiting the complex be asked to build a special and adequate reservoir to hold the liquids after eliminating all traces of uranium, and to store the solid material, thus preventing its dispersion from harming the environment.

SEVENTH AUSTRAL DEVALUATION ANNOUNCED 30 JUNE

PY020050 Buenos Aires BUENOS AIRES HERALD in English 1 July 86 p 3

[Text] (NA-DYN) -- The Central Bank yesterday ordered a mini-devaluation of the austral, bringing the value of the United States dollar up to 89 Argentine cents. This marked the seventh such variation in the exchange rate this year and the third this month for a total 11.24 percent devaluation in the life of the austral. The austral's value remained unchanged between June 15, 1985, and April 7, 1986.

The devaluation had no effect on the black-market dollar, which was quoted at 88.5 cents (buy) and 89 cents (sell). The tourist dollar remained on 90 cents as it has for the last fortnight. Call money ranged between 62 and 65 percent while money was available on the inter-company market for 50-55 percent on the basis of Bonex and 55-60 percent on the basis of cheques.

DEFENSE MINISTER REASSERTS ARMED FORCES' LOYALTY

PY011609 Paris AFP in Spanish 1349 GMT 1 Jul 86

[Text] La Paz, 1 Jul (AFP) -- Defense Minister Luis Fernando Valle has denied any possibility that a coup d'etat might take place and refuted rumors which have said the Armed Forces are plotting against the government.

Valle said today that the Armed Forces are loyal to the Constitution and that they will defend the democratic process that the country is experiencing. He added that at present the constitutional process enjoys support at the domestic and international level and that it can therefore be strengthened.

Valle said that the government of President Victor Paz Estenssoro is based on, and oriented by, the Constitution and that to plot against it would be a flagrant violation of the Constitution.

It was noted that Interior Minister Fernando Barthelemy last week reported the existence of subversive movements that are being promoted by left-out military officials, drug traffickers, and extremist groups, while the Bolivian Labor Confederation (COB) has charged that the government is resorting to this pretext so that it may implement a state of siege.

MINISTER SHOWS 'SUBVERSIVE' LEAFLETS TO PRESS

PY011841 La Paz La Red Panamericana in Spanish 1700 GMT 1 Jul 86

[Text] According to remarks made by Interior Minister Fernando Barthelemy, a climate of subversion prevails in Bolivia. Minister Barthelemy reported this morning that subversive documents are still circulating in the country, even in the fields. Barthelemy said that approximately $200,000 has been spent on mobilizing the peasants in La Paz over the past few days. According to the interior minister, these funds come from foreign sources and from Coraca [Peasant Agrarian Corporation].

[Begin recording] [Barthelemy] Subversion exists. The documents prove it. I am going to give you photocopies of a document which we have, and which has been distributed in the fields. This is the document. I am going to make photocopies and distribute them among all of you, and you will have to evaluate it. The people will have to evaluate whether this document is or is not subversive.

[Unidentified reporter] Do you know the possible authors of this document?

[Barthelemy] At this moment we have not identified them. [end recording]

GOVERNMENT SOUNDING OUT LEFTISTS IN CONGRESS

PY011510 La Paz La Red Panamericana in Spanish 1130 GMT 1 Jul 86

[Excerpt] Gaston Encinas Valverde, president of the Chamber of Deputies, has stated that the MNR [Nationalist Revolutionary Movement] has made a proposal to Paz Zamora's MIR [Movement of the Revolutionary Left] to begin negotiations to form a joint board in the Chamber of Deputies, in accordance with the norms established in the previous legislature.

Encinas reported that he had been visited by Javier Campero Paz [MNR-Tarija, first vice president of the Chamber of Deputies] and Alvaro Perez del Castillo [MNR-La Paz, first secretary of the Chamber of Deputies], who expressed the idea proposed by the MNR Political Committee.

[Begin recording] [Encinas] We held the first meeting with MNR representatives, namely Deputies Campero Paz and Alvaro Perez del Castillo. They reported on a resolution adopted by the MNR over the past weekend regarding the organization of congressional boards, and on the authorization given by their party to negotiate with all political forces represented in the Chamber of Deputies.

[Unidentified reporter] Nationalist Democratic Action [ADN] has announced the decision that [words indistinct].

[Encinas] Well, I think any political party can aspire to the presidency in the Chamber of Deputies. However, this depends on the negotiations among the parties represented in Congress.

[Reporter] Has there been any progress in the negotiations with the MIR?

[Encinas] Well, the first idea is to expand previous agreements, that is, to extend the agreement between the MNR and the MIR to other political forces such as the Nationalist Revolutionary Movement of the Left and other parties of the left. [end recording]

Speaking on the same subject, MNR Executive Secretary Javier Campero Paz stated that there is an agreement between the MNR and the ADN on the organization of the congressional boards for the next legislative period. He added that since the time of the tax reform, some agreements have been reached with the ADN. He added, however, that some political sectors have changed, and that a new evaluation of the proposals mst be made to see whether the ADN will maintain its leaderships in Congress.

SPECIAL AMBASSADOR LINARES RENEGOTIATES DEBT

PY011610 Paris AFP in Spanish 1332 GMT 1 Jul 86

[Text] La Paz, 1 Jul (AFP) -- The Bolivian special ambassador to creditors Adolfo Linares today reported that the Bolivian Government has renegotiated $600,000 of its foreign debt with the creditors of the Paris Club. Linares said the meetings in Paras were attended by Finance and Planning Ministers Juan Cariaga and Gonzalo Sanchez de Lozada, as well as representatives of the bilateral creditor countries: Brazil, Japan, Germany, Venezuela, and Austria.

The special ambassador, who was planning minister in 1981, said the renegotiation conducted in Paris will alleviate the country's balance of payments, which means that until June 1987 no payments will be made, so we will be under no pressure.

Linares added that the creditor countries have understood the Bolivian situation and decided to grant it a financial respite for recovery, which means more credits through the opening of sources of financing.

In conclusion he said that a new schedule for meetings with the creditors has been established, and that in October there will be a meeting with the World Bank executives to analyze projects that might help Bolivia.

DEL VALLE ON U.S. TERRITORIAL OBSERVATIONS

PY020231 Santiago Domestic Service in Spanish 2300 GMT 1 Jul 86

[Text] Foreign Minister Jaime del Valle has said that the United States has made some technical observations regarding the Chilean declaration of sovereignty over a 350-mile area surrounding Easter Island and Sala y Gomez Island. However, the U.S. Embassy in Santiago has issued a statement explaining that the U.S. Government does not recognize Chilean sovereignty over the 350-mile area. On 30 June, Del Valle said that the observations put forward by the United States will be answered in due time.

[Begin Del Valle recording] It is not actually a demand. The U.S. presentation makes some technical observations. We will analyze it and, if applicable, we will answer it at the right time. However, we are very calm, because we recall that the Chilean declaration on the 200-mile territorial waters awakened international criticism many years ago. This was followed by a virtual consensus in favor of the position of Chile and other South American countries. We believe the step we have now taken is also very important. [end recording]

It should be recalled that on 12 September 1985, the Chilean Government declared that it extended its sovereignty over a 350-mile area around Sala y Gomez Island and Easter Island. Yet today a U.S. Embassy spokesman said that based on international law, the United States does not recognize Chilean sovereignty over the 350-mile area.

[Begin unidentified U.S. Embassy spokesman recording, in progress] ... the U.S. position is based on principles of international law, dealing with the demarcation of the continental platform. The U.S. Government considers that such conditions do not apply in the cases of Easter Island and Sala y Gomez Island. For this reason, the United States does not recognize the Chilean declaration of sovereignty over this area. [end recording]

The U.S. spokesman added that Article 76 of the Law of the Sea Convention states that any country with a sea coast can extend its sovereignty beyond the 200-mile area under special circumstances, adding that such special circumstances do not apply in the cases of Easter Island and Sala y Gomez Island.

For his part, Carlos Bustos, director of the Foreign Ministry Special Affairs Department, also commented on the scope of the declaration of Chilean sovereignty over a 350-mile area around Easter Island and Sala y Gomez Island.

[Begin Bustos recording] I would like to clarify that, contrary to what a publication said a few days ago, there is neither a discrepancy nor protest. The issue deals with the interpretation of Article 76 of the Law of the Sea Convention of Jamaica in 1982. As you know, we based the declaration we issued in September 1985 on paragraph 6 of Article 76, which refers to underwater ridges. There are countries that believe that a different procedure should be used because the subject calls for very complex studies of the sea bottom, bathymetric measurements, and so forth. However, I believe this is a strictly technical issue to which no other significance is to be attached. Our specialists are carefully analyzing it. [end recording]

Bustos concluded by saying that the United States has only made technical observations on the declaration that Chile issued in September 1985.

DEL VALLE SAYS NO CORRIDOR FOR BOLIVIA

PY010315 Santiago Radio Chilena in Spanish 2300 GMT 30 Jun 86

[Text] Chilean Foreign Minister Jaime del Valle categorically denied three assertions made by an article published in the last issue of magazine APSI which said: First, that there was an agreement with Peru to grant it an enclave in Arica surrounded by Peruvian troops; second, that on this same Peruvian enclave, a corridor to the sea would be granted to Bolivia; and third, that during Del Valle's last visit with the pope, papal mediation in this case was requested.

Minister del Valle emphatically denied all three assertions. He assured that the talks held with Peru were restricted to complying with the 1929 Treaty, particularly with the term that envisages the Chilean construction of facilities for Peruvian use in Arica. Del Valle denied having discussed with Peru the granting of a corridor to the sea for Bolivia.

Regarding the pope's mediation in these negotiations, Del Valle said neither his nor any one else's intervention has been requested or even considered.

Regarding the government's recently created human rights commission, Del Valle expressed satisfaction at the U.S. State Department's declarations qualifying the Chilean Government's decision as positive. This is an acknowledgement of an internal decision by the Chilean Government which coincides with some of the requests made by UN observer Volio during his visit to Chile, Del Valle said. However, Minister Del Valle affirmed that Chile is on its way to transition in keeping with its own needs and calendar.

SOCIALIST FACTIONS CONDEMN REAGAN'S C.A. POLICY

PY011803 Madrid EFE in Spanish 0328 GMT 1 Jul 86

[Text] Santiago, 30 Jun (EFE) -- Two Chilean socialist factions that have been separated for 2 years have taken a step toward a reunion by signing a joint statement against U.S. President Ronald Reagan's Central American policy. The factions are the socialists headed by Manuel Mandujano, and those led by Ricardo Nunez, who recently succeeded Salvador Allende's last interior minister Carlos Briones as secretary general. The two factions separated in May 1984. Until then they formed a single group which, in turn, had split away in 1979 from another group of a Leninist leaning headed by Clodomiro Almeyda.

In the joint statement published today, the leaders of the two socialist factions state that while the great majority of nations throughout the world have expressed their support for a peaceful and negotiated solution to the Central American conflict, the Reagan administration has waged an undeclared war against Nicaragua.

Mandujano and Nunez add that while the affected countries themselves are trying to achieve a peaceful solution in Central America, the Reagan administration continues supporting the contras and has granted them not only the city of Miami to get together, but also training, weapons, and dollars to keep up the war that has taken the lives of thousands of people.

The two Chilean socialist factions, committed to reuniting, state that in addition to such actions U.S. military maneuvers have been held on the Nicaraguan border and U.S. military bases have been established in the region.

The statement adds that these events "prove that the current U.S. Government has no interest in reaching a peaceful solution to the conflict, and much less in respecting basic principles, such as that of nonintervention and the self-determination of nations."

The statement concludes by saying that "for this reason the Chilean Socialist Party once again categorically condemns Reagan's military intervention and calls for a negotiated solution, in line with recent Contadora proposals, to the crisis in the area."

REPORTAGE ON EVENTS SURROUNDING NATIONAL STOPPAGE

Bomb Blasts, Fires

PY011511 Paris AFP in Spanish 0356 GMT 1 Jul 86

[Text] Santiago, 30 Jun (AFP) -- There were four attacks with explosives and incendiary bombs tonight in several sectors of Santiago, 24 hours before the national stoppage called by the opposition to General Augusto Pinochet's government.

Police sources have reported that a person who was waiting for a bus was slightly injured when a bomb went off at the Sudamericano bank branch, and that almost simultaneously another bomb went off at the Bank of Credit branch causing damage to the facade and windows of the building. The police added that a group of subversives, who managed to escape, totally burned a bus in a heavily populated area. The police added that no one was injured in this incident.

There were also two powerful explosions which destroyed two pylons in the Bernardo O'Higgins Avenue. As a result of this attack, a vast area of the Santiago southern sector was left without electricity.

No organization has claimed responsibility for the attacks, although the clandestine leftist Manuel Rodriguez Patriotic Front, which promotes the armed struggle against the military regime, has claimed responsibility for similar previous attacks.

PCCH Calls for 'Violent Actions'

PY020345 Buenos Aires Domestic Service in Spanish 0200 GMT 2 Jul 86

[Relay from Santiago by an unidentified reporter of Radio Agricultura]

[Text] The Communist Party of Chile [PCCH] issued a mobilization order this afternoon calling for violent actions during the 2-day stoppage called by the National Civic Assembly [ANC]. In a military type order, the PCCH includes instructions for cells of the Manuel Rodriguez Patriotic Front. Security sources have described the documents as authentic.

The PCCH document emphasizes that there should not be a single moment of rest during the stoppage in order to promote the struggle as much as possible. The document also includes a self-defense plan, which recommends that roadblocks and barricades be erected. To this end, the PCCH recommends that sandbags, debris, posts, vehicles, fire, etc. be used. The PCCH document is full of such recommendations, that is, precisely the type of actions the ANC leaders have asked not be taken and for which the ANC will not assume responsibility.

Valparaiso Communique on Stoppage

PY020027 Santiago Domestic Service in Spanish 1700 GMT 1 Jul 86

[Text] The chief of the Valparaiso, Easter Island emergency zone has released a communique, alerting the citizenry. This is the first contact we are holding today with the country's 5th region. Here is an RSN [expansion unknown] report from Valparaiso.

[Begin relay by unidentified reporter] The office of the chief of the emergency zone of Valparaiso province and Easter Island has announced that in view of the national stoppage called for tomorrow and the following day by minority groups, all the necessary measures have been taken to maintain public tranquillity and the normal development of social and economic activities.

The official communique states that the goal of the sponsors of the movement (?follows) political instructions issued and guided from abroad with the goal of attempting to destabilize the legitimately-established government. In conclusion, the communique states that the citizenry must not feel intimidated by small groups of promoters of violence who seek to disrupt public order and wish, by using the threats, to halt the normal and peaceful course of the people's activities.

This was a report from Valparaiso. [end relay]

Students, Army Clash

PY020214 Paris AFP in Spanish 2212 GMT 1 Jul 86

[Text] Santiago, 1 Jul (AFP) -- Army troops were deployed in Santiago today and arrested at least 30 demonstrating university students, on the eve of the nationwide strike organized by labor unions and other organizations that want the reinstatement of democracy, according to witnesses of the incidents.

The military deployment took place after two women and a man, alleged members of the Manuel Rodriguez Patriotic Front (FPMR), which advocates popular uprising against General Augusto Pinochet's government, died from gunshots. A semi-official report indicated that the three persons committed suicide, but the FPMR denied that they belonged to the organization and added that the individuals were brutally killed.

Heavily armed and with their faces painted black, soldiers raided the School of Medicine of the University of Chile in northern Santiago this afternoon. At the School of Medicine the soldiers harassed and arrested students who were then concluding a protest demonstration. This was the first military action on the eve of the 48-hour strike which will begin tomorrow at the call of the organizations that make up the National Civic Assembly [ANC].

The medical students were demonstrating their support for more than 100 students arrested on 30 June when the Carabineros evicted them from the headquarters of the University of Chile. Carabineros also participated in today's military action by using powerful jets of water and hurling tear gas grenades into the School of Medicine. The soldiers made the students lie face down on the ground with their hands behind their heads before forcefully taking them away, Dr Pablo Caviedes, who witnessed the operation, reported. Tomas Jocelyn Holtz, president of the Catholic University Students Federation (FEUC), stated that it is time to stop playing war games with the country.

As the afternoon wore on, disorders broke out around the University of Santiago in the western part of the capital, where dozens of demonstrators began to erect barricades and shout anti-government slogans.

The ANC reported that the 2-day strike that will begin on 2 July will be obeyed by the students, the National Workers Command [CNT], professional associations, merchants, truck owners and other organizations that paralyzed the country 13 years ago to hasten the downfall of Salvador Allende's leftist regime and the advent of the military regime. We have received information to the effect that Santiago will be occupied by the military, ANC President Juan Luis Gonzalez said in a press conference. He reiterated that the union leaders want no more deaths on the streets and that the protest will be peaceful.

At the government level, Labor Minister Alfonso Marquez de la Plata accused the opponents of creating an atmosphere of fear designed to disrupt national activities and the authorities have guaranteed that every measure will be taken to preserve order.

In Valparaiso, 140 km west of Santiago, the commander of the emergency zone called upon all the citizenry not to listen to those who want to disrupt the stability of the regime.

The military intendant of Concepcion, 525 km south of Santiago, reported a concrete plan to disrupt order prepared by classroom terrorists.

Msgr Santiago Tapia, head of the Vicariate of Solidarity, called for the calming of the spirits and warned that violence cannot be answered with more violence. However, the Vicariate of Solidarity also advocated the right to disagree because the voice of the people must be heard.

HUMAN RIGHTS COMMISSION SEEN AS PART OF TRANSITION

PY271332 Santiago Domestic Service in Spanish 1100 GMT 27 Jun 86

[Text] Foreign Minister Jaime del Valle has stated that the creation of an advisory committee on human rights at the Interior Ministry is part of measures taken by the government to pave the way for transition.

Del Valle said the new committee will not interfere with the role of the Foreign Ministry Advisory Department on Human Rights.

Del Valle added that this new committee, which will seek to guarantee respect for human rights in the country, was created in accordance with provisions governing internal order and as part of measures taken by the government to pave the way for transition and to promote harmony and social peace.

PRESIDENT CALLS FOR UNITY TO FACE PROBLEMS

PA280220 Quito Voz de los Andes in Spanish 2300 GMT 27 Jun 86

[Text] President Leon Febres Cordero once again appealed to Ecuadorans to unite in view of the difficult and dramatic moments they are facing as a result of the drop in oil prices. He asked the Ecudorans for a political truce and to work together. He said that a few days ago he made a similar request, but so far he has not received the response the Ecuadoran people need. We are not going to harass anyone because of the lack of response, he said; We do not want to create more problems than we already have, which need to be resolved. However, he added, we want the people to realize that the country is facing one of the most difficult moments of its history, which can be resolved only with the people's full support.

He said this in Guayaquil, where he will attend the unveiling ceremony of a plaque in honor of Girolamo Ventone, an Italian from Milan, the first expolorer to set foot on Ecuadoran territory.

FEBRES CORDERO COMMENTS ON ECONOMY, STABILITY

PA012136 Quito Radio Quito in Spanish 2300 GMT 30 Jun 86

[Text] According to the statements of President Leon Febres Cordero to the U.S. newspaper THE CHRISTIAN SCIENCE MONITOR, Ecuador continues to be a Latin American economic oasis, although it might still be unstable politically. After admitting that the rebellion of Lieutenant General Frank Vargas Pazzos, former commander of the FAE [Ecuadoran Air Force], worsened the country's international image, the president accused the foreign press of being leftist and (?giving him) the image of a Reaganite conservative of the Wild West. I have to admit with some shame that the [words indistinct], but I am not responsible, and I have to survive in that system, which, although not good, will change as the democratic system matures, Febres Cordero said. Finally, the president criticized the Reagan administration for its obsession with Nicaragua, which leads it to ignore more important problems.

1 TERRORIST DIES, 5 ARRESTED IN POLICE RAID

PY301609 Paris AFP in Spanish 1538 GMT 30 Jun 86

[Text] Guayaquil, 30 Jun (AFP) -- One guerrilla died and five were arrested when police raided the hideout of a cell of the Ecuadoran subversive group "Alfaro Lives." The cell was located in the residential district of the Andean city of Cuenca, 200 km southeast of here. According to the police, the death of terrorist Ricardo Merino Jacinto, a fugutive from justice, after having escaped from prison and being responsible for various types of crime, occurred when he and his friends, including a woman, resisted when the police asked them to surrender.

The discovery of the cell followed reports by neighbors who had noticed suspicious movements in an apartment in the district of Maria Auxiliadora in Cuenca, the third largest city in Ecuador. The police seized 81 dynamite sticks, revolvers and carbines that had been stolen from the government, military uniforms, instructions on how to carry out terrorist actions, and false documents.

MINISTRY TO STUDY URUGUAYAN, U.S. PROTESTS

PY020254 Asuncion LA TARDE in Spanish 1 Jul 86 p 9

[Text] National authorities have received a protest note from the Uruguayan Foreign Ministry regarding the way in which Uruguayan congressmen accompanying Dr Domingo Laino were treated. Foreign Minister Augusto Saldivar said yesterday: "It will be studied, and an answer will be given in time."

Replying to questions from journalists as he was leaving Government Palace, Minister Saldivar said that "during the audience I had with the head of state, I informed him about the conversation I had with the Uruguayan congressmen who had requested through their embassy a meeting."

Saldivar said that the conversation was important "to clear up what had happened, as well as to state the Paraguayan position regarding the traditional principles that rule the affairs of nations and relations among people, including the international commitments that Paraguay has assumed and with which it complies."

The foreign minister added: "The Uruguayan deputies did not make any proposal, because questions of foreign relations are outside congressional jurisdiction."

Saldivar also said: "In a verbal note, the U.S. Embassy commented on the events in which Mr Robert White and other U.S. citizens were involved. This is being studied, and in time, once we have all the elements to make a judgment and the report from the appropriate organs, we will give an answer to the U.S. Embassy."

Regarding former U.S. Ambassador Robert White, who accompanied Dr Laino in his frustrated attempt to return to the country, Dr Saldivar said: "We do not know in what capacity Mr White came. He came like any other U.S. citizen who happens to come to Paraguay, but the events have given his coming the special connotation that is known to the public."

UGARTE SAYS MEDIA RECEIVE CUBAN, SOVIET FUNDS

PY011508 Asuncion HOY in Spanish 1 Jul 86 p 12

[Text] In a speech at a political seminar which ended laste Sunday in Quiindy, Industry and Commerce Minister Dr Delfin Ugarte Centurion leveled serious accusations. "There is a full-fledged campaign being orchestrated to destroy peace in Paraguay, and the yellow press, dominated by communists, television stations, radio stations, and some newspapers are involved in this conspiracy. Of course, all of them are financed with dirty money coming from Russia and Cuba," he said.

The industry and commerce minister asked: "What should our reaction be?" During the rally sponsored by the Colorado Party's Enrique Solano Lopez Center, he said: "We must recognize the existence of these problems in order to cope with them. This means we must let unity prevail in our party, invigorate our discipline, and, based on all this, strengthen our efforts and actions."

Ugarte Centurion also focused on recent quarrels among Colorado leaders. "We, the Colorados, must not quarrel among ourselves. A Colorado must not offend another Colorado. It is not good for a Colorado to insult another party fellow member, especially if the latter is a party authority," he said.

Expanding on the same point, he added: "It is an inherent duty for every good Colorado, from the most humble to the most prominent, to confront the enemies of the government and the Colorado Party. Therefore, we must have solidarity and be united. Let us not delude ourselves. The adversary wants to infiltrate our ranks to confuse us because they know that the united Colorados will never be defeated."

Ugarte Centurion said: "We must bear in mind that if we are split, then the enemies of the party will have more possibilities. Thus, we must leave this seminar with a strengthened spirit."

Editor's note [in italics]: We are publishing the accusation leveled by the minister of an alleged communist infiltration within the press. However, a serious sense of responsibility makes us demand the accuser furnish names and evidence on who in the media are receiving money from Russia and Cuba.

[Signed] H.D.D. [publisher of HOY]

UGARTE: 'OFFICIAL' TRADE WITH PRC PROHIBITED

PY012350 Asuncion ULTIMA HORA in Spanish 1 Jul 86 p 12

[Excerpts] Paraguayan Industry and Commerce Minister Delfim Ugarte Centurion this morning said that "trade with Communist China will not be officially allowed." He added that, on the contrary, efforts will be made to strengthen commercial ties with Taiwan.

Minister Ugarte reported that he had met with Taiwan Ambassador to Paraguay General Sheng Wang, with whom he spoke at length about bilateral trade. The minister added that Taiwan has become one of the main purchasers of Paraguayan soybeans and that Commerce Under Secretary Luis Ramon Ortiz Ramirez has just returned from Taiwan, where he held talks aimed at exploring possibilities for increasing Paraguayan exports.

Ugarte explained that the Paraguayan Government does not intend to establish diplomatic, cultural, or commercial relations with communist countries, because "our political and ideological position remains unchanged." Asked whether this meant that no businessmen will be allowed to export to communist countries, the minister answered: "they will not be officially premitted to do so."

The minister was also asked why, since products manufactured in the PRC are readily available in Paraguay, Paraguayan products cannot be exported to that country as businessmen want. The minister answered: "We have no information about products manufactured in communist countries entering our country. If they do it must be through triangular operations."

With regard to his charges that the press is receiving funds from Havana and Moscow for an anti-Paraguayan campaign, which he made at a recent political meeting, Minister Ugarte explained that he was talking about international, not local, press.

RADIO NANDUTI'S SPONSORS CALLED 'SUBVERSIVES'

PY302359 Asuncion Domestic Service in Spanish 0030 GMT 28 Jun 86

[Unattributed commentary from the "Voz del Coloradismo" program]

[Text] Many people have also taken positions, although without exposing themselves, in this struggle which we the defenders of peace and order are waging against subversives. These are camouflaged, infiltrated people, who are worse than spies and who are playing a significant role in this struggle. They are the ones who are economically supporting those seeking to overthrow the government. They are supporters of subversion.

There are many commercial firms that are freely operating in our country. There are ostensibly harmless businessmen who engaged in their commercial activities Phoenician style, but with the difference that they do not hesitate to support criminal organizations that seek to destroy peace in the country, without realizing that an atmosphere of disorder and chaos will be most detrimental to them. Nevertheless, they are financing terrorism, they are destroying peace, and, consequently they are undermining the country's future of their children, grandchildren, and great-grandchildren.

Will these Phoenicians be fondly remembered by their descendants? Could they claim tht their ancestors had contributed to building a promising future for the fatherland? Have these businessmen stopped and thought about the problem they are bequeathing generations to come? In sum, could we promote peace with these promoters of subversion? Could we thus bequeath a better future for our descendants?

For this reason, yesterday we checked the records at the Registry of Commerce and found that the following people are financing subversion: Pascual Burro, who appears as manager of Internacional Money Exchange; Mr Humberto Irala Cataldo, of Marlene Drug Store; Esteban Cubilla Orue, of Cubilla Taylor's Shop; Gustavo Saba, of the Saba Store; Jose Antonio Robirosa, of the Robirosa Real Estate Co.; Blas N. Riquelme, one of the owners of the Munich Brewery and the son of the man who was once president of the Colorado Branch in Lambare; Tomas Cataldo and his wife Natalia de Cataldo, of Inducom Plastic Bags; Ricardo Martinez, of Readers' Digest; Dr Juan Estigarribia, of Solar Savings and Loans; and the notorious Aldo "Zuculillo" [a pejorative play on words meaning "little ass," alluding to Aldo Zuccolillo, director of the banned newpaper ABC COLOR], the ineffable and conspicuous "Zuculillo," the presidential candidate of his employee Fernando Levi. "Zuculillo," who is listed as owner of the Nueva Americana Hardware Store, is the notorious gay of Yegros Street and a hunter of ducks in the CHaco which he later sells to the La Preferida Restaurant. These are all the people who are financing the subversive radio station Radio Nanduti, which has been baptized by the people as Radio "Nandupe" [Guarani word for a type of poisonous spider].

Today we can add other names such as that of Mr Roberto furbieta Valdovinos, of the Columbia Private University; Mrs Stella Maris de Paniagua, of the San Juan Drug Store; Dr Miguel Angel Baez Gonzalez, manager of Ogarape Savings and Loans; Jorge Figueiredo Fleitas, manager of Inmobiliaria del Este Real Estate, which is also owned by the ineffable, conspicuous notorious gay of Yegros Street, Aldo Zuculillo; Mr Eladio Robert Moro, of Oficentro. Incidentally, we do not believe this man could be Moro Pascottini because no true Chaco resident has ever endorsed subversion or supported terrorists.

These are some of the 70 firms that are attempting to destroy peace. These are some of the 70 firms that are seeking to undermine tranquillity in Paraguay through an insidious subversive campaign spearheaded by Radio "Nandupe." Believe it or not, there are more firms and tomorrow, we will give more names.

CHARITAS DIRECTOR NOT ALLOWED TO ENTER COUNTRY

PY012312 Asuncion Radio Nanduti in Spanish 2220 GMT 1 Jul 86

[Text] Asuncion -- The Paraguayan police have prevented Spanish Franciscan priest, Father Javier Arancon, from returning to the country. Father Arancon, director of the Catholic radio station Radio Charitas, had been warned about the station's newscasts.

According to the superior of the Order of Friars Minor, which owns the radio station, the incident occurred yesterday as Father Arancon was returning from Buenos Aires. A police official at Puerto Falcon -- adjacent to the Argentine city of Clorinda -- withheld Father Arancon's identification documents and told him that he could not return to the country.

Radio Charitas has been attacked by the progovernment press, which charges it with following a line [passage indistinct]. Sources from the Franciscan order have said that Father Arancon is staying in Clorinda while efforts are made at the Interior Ministry to allow him to return.

In the meantime, it has been reported that radio reporter Celso Velazquez was released. He was detained last week along with several peasants on charges of usurpation of private property in Caaguazu Department, where he was reporting on a land dispute. Velazquez was turned over yesterday to the Villarrica courts. His attorney, Juan Carlos Ramirez Montalbetti, obtained his release today.

GARCIA DENIES POSSIBILITY OF COUP D'ETAT

PY011344 Lima Panamericana Television Network in Spanish 0300 GMT 1 Jul 86

[Impromptu press conference by President Alan Garcia; date and place not given -- recorded]

[Text] [Unidentified Reporter] Mr President, do you think that there is a threat to democracy and that there is a possibility of a coup d'etat? What are your views on this?

[Garcia] Well, I have not heard anything about the possibility of a coup d'etat here in Peru. I believe that these reports come from abroad. This is what we call a press rebound, of which you are well aware; this is when a report is generated by a foreign news agency; this report is then sent abroad and it comes back. This is a press rebound.

I do not think that Peru's solution ...[changes thought] I am working in a democratic manner because I believe in democracy. As you are all well-aware, I have worked so that we may achieve democracy in Peru, and although I do not want to say that I am the only one responsible for this since it is the result of the work of all Peruvians, as chief of state I worked on the Tupac Amaru plan, the main objective of which was to achieve a democracy, through a constituent assembly, and through free elections which were held throughout the country.

POLITICAL PARTIES APPEAL FOR NATIONAL UNITY

Belaunde Urges Solidarity

PY011612 Lima Panamericana Television Network in Spanish 0300 GMT 1 Jul 86

[Text] Former constitutional President Fernando Belaunde Terry has made an appeal for national solidarity, asserting that Peruvian democracy is not in danger. General Francisco Morales Bermudez (retired), who ousted General Velasco Alvarado, has also expressed his opposition to coups d'etat.

[Begin recording] [Belaunde, in progress]...solidarity in Peru. I believe these are difficult and sad times for all of us and that we must fully rebuild national unity.

[Unidentifed Reporter] What would you ask from Peruvians?

[Belaunde] Precisely that, to be united around great national issues. This is a time for thought, a time of grief.

[Reporter] What are your views about the recent statement by President Garcia, who said that those responsible will be punished?

[Belaunde] Well, I have listened to the speech that the president delivered from Government Palace. It was obviously a frank speech. I understand that we are experiencing serious times. Therefore, it is the duty of all Peruvians not to magnify the seriousness of the situation.

[Reporter] Do you believe that democracy is threatened?

[Belaunde] No, I hope it is not. From what I have heard from many people, I gather that everybody seems to agree on the need to return to normalcy, on the indispensable continuity of constitutonal order. [end recording]

APRA Supports Garcia

PY011636 Madrid EFE in Spanish 1528 GMT 1 Jul 86

[Text] Lima, 1 Jul (EFE) -- APRA [American Popular Revolutionary Alliance], the ruling social democratic party of Peru, today called on political parties, unions, the church and the press to hold a conference for peace in Peru.

In a communique published in some local newspapers, APRA expresses its support for the administration of President Alan Garcia with regard to the repression of the riots that took place on 18 June in three Peruvian prisons. APRA also supports Alan Garcia in his condemnation of the "excesses" that were committed during the repression at the prisons in Lima and Callao Port.

The communique issued by the APRA board says that there is no militarization of power in Peru, and it calls for unity to stop terrorism and to seek justice within the framework of freedom. APRA also calls on all its followers to be calm, particularly those whose homes have experienced the effects of violence and aggression. The ruling party has called "a conference of representatives of democratic parties, unions, labor groups, production and cultural sectors and the press to seek a common action aimed at achieving peace."

The communique says that is a goal that must be supported by the Catholic Church and all Christians. The APRA political commission will establish the necessary contacts so that this goal may be achieved without upholding any hegemonic pretentions; it will invite all those who are willing to help in this fraternal undertaking."

The document says that, in addition to the "responsible" opposition, there is another opposition that charges the government and Armed Forces "with being genocidal." According to APRA, this other opposition sector, which it terms psuedo-leftist, demands respect of human rights only for "criminals and terrorists," but has said nothing for example, of the seven tourists who were "vilely murdered by terrorism" recently in Cusco.

The communique of the governing Peruvian party goes on to state that that same sector seeks to return Peru to the times of struggles between civilians and military and "claims that a militarization of power is taking place in the county." APRA asserts that "we will not allow hatred between civilians and military to prevail, which is the objective sought by fascism and the extreme right. Past times have gone. The Armed Forces deserve the citizenry's respect; APRA makes an appeal for it."

The communique states that state terrorism will not be tolerated and, in referring to subversion, says that despite subversion's violent attitude, APRA and the government have made an appeal "to the Peruvian's fraternity and dialogue," but the response "continued to be that of terror." The document goes on to list the number of dead peasants, soldiers, high-ranking military officers, APRA active members, authorities of all sectors, as well as the destruction caused by subversive violence, and states that "in view of this cruel reality the government started to implement the necessary emergency measures.

The document ends by stating that, in view of the riots on 18 June staged by prison inmates who had been charged with terrorism and sought to jeopardise the Socialist International congress held in Lima, "the government acted will all the force of the law, which will not permit prisons to become free territory." The communique adds that "we must follow the Peruvian president's example firmly and strictly in order to continue being worthy of the people and so that the people may be worthy of their democracy."

Christian Democracy Expresses Support

PY011531 Lima Radioprogramas del Peru in Spanish 0045 GMT 1 Jul 86

[Text] The Christian Democratic Party [PDC] has expressed, in a communique, its complete support for President Garcia's administration regarding the riots in the Lima prisons.

This was reported by Carlos Blancas, labor minister and president of the PDC, who said that his party will be on the same ballot with the APRA in the upcoming municipal elections.

SECRET BURIALS REPORTED AFTER PRISON MASSACRES

PY012316 Madrid EFE in Spanish 1713 GMT 1 Jul 86

[Text] Lima, 1 Jul (EFE) -- The newspaper LA REPUBLICA today reports that heavily armed soldiers secretly buried the bodies of the victims of repression in three Peruvian prisons in several places in Lima Department.

The newspaper quotes residents of San Vicente de Canete and Imperial as saying that some of the bodies were buried in these two towns, adding that other bodies were buried in Mala, Chilca, San Antonio, and in other areas in Lima Department.

Imperial residents said that early on 22 June, two Army trucks brough eight coffins, which were placed in eight graves in the town's cemetery. The graves bear the names of the dead. Among them is Emilio Diaz Martinez, believed to be Antonio Diaz Martinez, the presumed "Shining Path" ideologist killed at the Lima Lurigancho prison massacre early on 19 June. Each grave has a number, Diaz Martinez's grave bears number 33.

In San Vicente de Canete, the townspeople said that on the same day 12 coffins were buried in a common grave at the cemetery. At the Huacho cemetery Lima Department, soldiers buried eight coffins on 21 June. In all cases, the bodies were buried early in the morning.

According to LA REPUBLICA, the Huacho charity organization reported that similar burials took place in Huaral, Chancay, Supe Pueblo, and Barranca, but no figures were given. The newspaper quotes organization officials as saying that "the order came from Lima."

Even though no official figure has been released on the death toll from the riots in Lurigancho prison in Lima, Fronton island prison, and Santa Barbara women's prison in El Callao, it is estimated that the number is close to 300.

BRIEFS

SEISMOLOGICAL AGREEMENT WITH JAPAN -- Jose Ignacio Lopez Soria, rector of the National Engineering University, and (Akias Tajachi) director of the Japanese Construction Institute, today signed an agreement for the foundation of a Peruvian-Japanese seismological investigation center. The document was signed at the Peruvian Foreign Ministry in the presence of Peruvian Director of International Cooperation (Guillermo Ierdau) and other seismological experts. [Excerpts] [Lima Television Peruana 0100 GMT 27 Jun 86 PY]

COSTA RICA

GOVERNMENT PROHIBITS TRANSIT OF CONTRA AID

PA020447 Panama City ACAN in Spanish 0430 GMT 2 Jun 86

[Excerpt] San Jose, 1 Jul (ACAN-EFE) -- Costa Rican Security Minister Hernan Garron Salazar stated today that the Costa Rican Government will not allow Costa Rican territory to be used to channel military aid to the anti-Sandinists. Garron reaffirmed the policy of "effective neutrality," being implemented by the current administration, in compliance with the announcement made to the effect by President Oscar Arias Sanchez on 8 May upon his assumption of power. He added: This means that if any logistical activity for the armed rebels is discovered, we will proceed to arrest those involved and confiscate equipment, arms, or military means that are being smuggled through Costa Rica.

During a news conference this afternoon, the security minister said that the government is prepared to maintain peace and tranquility in the country, even if the war in Nicaragua escalates as a result of the aid approved by the United States for the guerrillas. Meanwhile, he admitted that the U.S. approval of $100 million for the anti-Sandinists has created concern among the Costa Ricans who live in villages along the border.

BRIEFS

COLON DEVALUATION -- Central Bank directors yesterday afternoon decreed a devaluation of the colon. This is the eighth devaluation of our currency this year in relation to the dollar. The colon was devaluated by 25 centimos, therefore it will be purchased at 55 colones and 70 centimos and sold at 56 colones and 45 centimos per dollar. (Excerpt] [San Jose Radio Reloj in Spanish 1200 GMT 26 Jun 86 PA]

SALVADORAN DEBT SERVICE -- As a result of recent talks between officials of the Salvadoran and Costa Rican Central Banks, an agreement was reached whereby El Salvador will pay its $50-million debt to Costa Rica in 24 months. Costa Rica will earn $5 million in interest, which will be paid in cash. [Summary] [San Jose LA PRENSA LIBRE in Spanish 23 Jun 86 p 2 PA]

EL SALVADOR

ACEVEDO COMMENTS ON MEETING IN GUATEMALA

PA011535 San Salvador Radio Cadena YSU in Spanish 1800 GMT 30 Jun 86

[Passages within quotation marks recorded]

[Text] In a news conference held today at the Foreign Ministry, Deputy Foreign Minister Ricardo Acevedo Peralta said that the Contadora Group is directed and manipulated by Nicaragua. Regarding the 6 June proposal, Acevedo Peralta said that we cannot work with those mechanisms, because they are being directed by Nicaragua. Regarding the Central American plenipotentiaries meeting in Guatemala City last week and, more specifically, the results of the security-related aspects of the Contadora Document discussed in this meeting, Acevedo Peralta said.

"[Words indistinct] that a resolution issued by the four countries, because there is a need to reply, and we will reply to the document, to the documents presented by Contadora, which are the peace documents, the letter, and the Panama message. We decided that we will answer those documents taking three aspects into consideration, and under the following terms:

"First, at the formal level, we will reply to those documents by accepting the mediation but not the imposition, or, as we call it here at the Foreign Ministry, the tutelage of the Contadora Group on the issues which are still to be agreed on by consensus of the Central American nations.

"B. [letter as heard] Also at the formal level, we will reply to those documents by telling Contadora that we need to be sure that Nicaragua will not use, and will not continue using the Contadora efforts as propaganda and advertisement. We need to be sure that Nicaragua will in fact come to negotiate in depth what is left to be agreed on by consensus.

"Second, regarding the material aspect, we will request respect for the compliance with all the commitments we assume, without leaving anything pending for after the signing of the peace document.

"In addition, regarding the formula on armaments and maneuvers presented in the document, we will (?pretend) that that formula does not yet enjoy a Central American consensus, that it is not complete, that it does not fulfill objective No 7 of the document, and that it does not fulfill the most basic security requirements.

"Also materially, we will pretend that the control and compliance statute is not approved politically, that the security statute is not approved either, and that they have to be approved by consensus prior to the signing. That is how we will reply to those documents.

"In the operational aspect, which is the third part of the reply, we will tell them that we need schedules and programs of action for the control and compliance commissions. It is important to determine the effective date of the ratification of the peace document and the immediate or other actions and conditions which must be defined before the signing of the document. This is how we will answer.

"Therefore, there was an agreement during the meeting. Some paper had speculated that the meeting had ended without producing any agreement. I believe, however, that these agreements suffice and they show that there was a unity of opinion and strategy on the part of the four Central American truly pluralist democracies."

The republic's deputy foreign minister also said that on 8 July the document issued by the four Central American countries -- Nicaragua is excluded -- will be sent to the Contadora country members, so they will be aware of the agreements on security proposed by the four Central American nations. In addition, Acevedo Peralta said that the border commissions are already working on the demarcation of Zone No 7, which goes from (El Paso de los Amates) to the (Paso de Unibe). In this regard, the Salvadoran deputy foreign minister said:

"The meeting of plenipotentiaries had two objectives. The first was to install and officially announce the demarcation commisson, whose mission is to continue demarcating the zones delimited by the peace treaty and which have yet to be demarcated specifically, this is Zone No 7 which goes from (Los Amates) to (Paso de Unibe).

"You must remember that before the 10 December deadline expired, the demarcation commission was linked to the Joint Border Commission. Since the Joint Border Commission disappeared, we had to form a new special ad hoc demarcation commission. During the visit to Honduras, steps were taken to install and regulate the work of that commission.

"The Salvadoran members of the demarcation commission are the following: They are headed by myself. The other members are: Dr Abel Salazar Rodezno, Jose Fonseca Franco, and Lieutenant Colonel Roberto Staben Santos. The advisers are: David Escobar Galindo, Lieutenant Colonel Dionisio Ismael Machuca, and Santiago Elias.

"It was decided that the commission will hold meetings once a month to discuss the progress achieved in this field. The first working meeting will be held in San Salvador on 21 July."

The deputy foreign minister also said that he will travel to Tegucigalpa today to attend a meeting of the tripartite commission comprised of the UN High Commissioner for Refugees, UNHCR, the Honduran Government, and the Salvadoran Government to discuss the problem of the refugees and mainly the voluntary repatriation. The deputy foreign minister also announced that on 14 and 15 July the vice presidents of Central America as well as three members of the national congresses and several members of political parties will meet in Guatemala to discuss the creation of the Central American parliament. He said that they will establish regulations for simultaneous elections that will be held in the last quarter of 1987 to elect the representatives of each country to the Central American parliament.

DUARTE SEEKS 'ADVANCE' TALKS WITH REBELS

PA012214 San Salvador Canal Doce Television in Spanish 0300 GMT 1 Jul 86

[Report by Roxana Lemus]

[Text] President Jose Napoleon Duarte has reported that he met with Bishops Rivera y Damas and Rosas Chavez over the weekend to discuss his position on the third meeting with the guerrillas. He proposed the holding of several advance private meetings prior to the public talks. The president discussed the document presented by the guerrillas, in which, Duarte said, they do not recognize the country's institutional structure.

[Begin Duarte recording] Their position is -- I presume you have read about it over the past several days -- that they will neither lay down their weapons nor recognize democracy, the government, elections, or the legitimacy of the Duarte presidency. In other words, they do not recognize the country's institutional structure. This is a problem which, unresolved, will make impossible the attainment of a solution. I believe the Salvadoran people are aware that I cannot simply say: Sure, go ahead; take the Army, take the government, take the people. Go ahead, take it all. That is impossible. I cannot do that. I cannot accept that. It would be a breach of the Constitution. That would be the end of the dialogue.

The strategy of the left is to attempt to set forth a proposal-ultimatum. This is what they are proposing to the people, telling them: Either you surrender or we will continue killing people. That is the kind of position they are defending. In the face of that, I have proposed that we try to reach a consensus between all sectors of Salvadoran society to help these rebel sectors understand that the people want peace. [end recording]

Venceremos Replies

PA020219 (Clandestine) Radio Venceremos in Spanish to El Salvador 0048 GMT 2 Jul 86

["The Dialogue Situation"]

[Text] Napoleon Duarte and Msgr Rivera y Damas, in his capacity as middleman, have made theatrical appearances before all the media to present the proposal for the third dialogue meeting. Let us examine the true situation of the dialogue in El Salvador. As set forth by Duarte and Rivera y Damas, the third meeting would be nothing but another propaganda ploy, a farce, designed to improve the deteriorated image of Napoleon Duarte, when all his policies are indicative of an intensification of the dirty war and repression against the masses.

Duarte's farce has been exposed again. One month after he loftily announced the third dialogue meeting at the Legislative Assembly, he is now saying that the meeting will not take place because the FMLN refuses to lay down its weapons, does not recognize his presidency, and rejects the Constitution. Is Duarte not aware of the FMLN's position? The FMLN has not changed its policies or posture. Duarte is perfectly aware that we will never lay down our weapons. He is perfectly aware that we do not recognize his antipopular Constitution. He knows that we did not endorse the electoral farce by which the U.S. CIA made him president through fraud. We have never shifted our position on these issues, and Duarte was perfectly aware of this before we announced the third meeting. Why is he now making such arguments? Our response was clear and unhesitant: that the meeting take place on 30 July in San Salvador, with the participation of popular organizations and sectors.

Meanwhile, the middleman, who has been asked to make efforts and work for the holding of the dialogue meetings, Msgr Rivera y Damas, has endorsed the government's proposal for private meetings. Was Rivera y Damas unfamiliar with our position on the holding of private talks before Duarte announced the third meeting? Why has he withdrawn support for the proposasl made by one of the parties? To top it all off, after making all those statements on the sacrifices and efforts he makes and his dedication to the cause of peace and the conclusion of dialogue, the monsignor has left the country, gone on a trip. Where does this leave the dialogue?

This is the situation of the third meeting. The middleman has gone on a trip, while Duarte has begun to say that there will be no meeting. Then, what were Duarte's intentions when he announced the third meeting with such fanfare? Why announce it if he was planning to continue to do what he has been doing for so many months: talking about the dialogue while obstructing it; talking about dialogue but only using it for political purposes, at a time when Duarte's image is deteriorated. Duarte is ordering [word indistinct], arrests, and repression of the people's movement. Duarte need not have gone to the Legislative Assembly to propose this demagogic farce.

This is the dialogue situation. The middleman announced the government's proposal and then left on a trip. Duarte does nothing but speak and appear on the television without discussing anything specific. Meanwhile, the FMLN continues to say yes to the dialogue. It proposed the date, 30 July, and the place where it should take place, San Salvador. The situation is exactly the same as 1 month ago. There is nothing on the dialogue. No progress has been made. The Duarte administration has done nothing but announce it and create false, propagandistic expectations that a third meeting might take place. However, it makes no concrete progress [words indistinct].

The FMLN reaffirmed its desire to participate in the dialogue. We say 30 July in San Salvador, in the presence of popular organizations and sectors. We also reaffirmed that we do not recognize a president imposed by U.S. imperialism; we do not recognize a Constitution that protects the powerful, the murderers, while jailing and [word indistinct] workers. We reaffirm that we do not recognize the unjust system that makes all of our people victims of hunger, poverty, and genocide. We reaffirm that we will never lay down our weapons, because they guarantee the changes society demands. They are the guarantors of the people's achievements.

GUATEMALA

CEREZO DENIES MEETINGS PLANNED WITH REBELS

PA020320 Paris AFP in Spanish 0100 GMT 2 Jul 86

[Text] Guatemala City, 1 Jul (AFP) -- President Vinicio Cerezo has denied that he has plans to hold an official meeting with guerrilla groups during his 2-day visit to Mexico, which starts tomorrow. In his statements to the newsmen, Cerezo said: "I have never said I will have contacts with these groups." "However, recently Cerezo's foreign minister, Mario Quinonez, told the press: "As president of all Guatemalans, Cerezo will also start contacts with the guerrilla leaders" and with politicians in exile living in Mexico. Nevertheless, today Cerezo said that for the time being there is no plan to hold a dialogue with the guerrillas and said that in Guatemala, "conditions exist so that any political group that wants to work within the law and that respects the institutions can do so." In this regard, on Monday Cerezo made an appeal for the guerrillas to think.

Some of the local and foreign media had affirmed that the president would have contacts with guerrilla leaders during his official tour to Mexico, where he will discuss bilateral subjects with his counterpart Miguel de la Madrid. In statements to AFP, government sources said that "there may be" some kind of contact during Cerezo's trip to Mexico. However, it would be unofficial and informal."

Guerrilla spokesmen, living in Mexico, have doubts about a meeting with President Cerezo, and, should the meeting be held, it would not lead to a definite agreement to reach peace in Guatemala, they said. President Cerezo will depart tomorrow for Mexico, heading the largest and most important official delegation that has been abroad in the past 15 years.

HERNANDEZ ON C.A. PARLIAMENT, CONDECA PROSPECTS

PA011552 Guatemala City PRENSA LIBRE in Spanish 28 Jun 86 p 7

[Text] Defense Minister General Jaime Hernandez Mendez said yesterday that the Central American parliament could prevent a war in the region. He also admitted that "the national Army is at a disadvantage in military support aspects compared to the armed forces of other Central American countries." Gen Hernandez Mendez yesterday commented on statements by Nicaraguan Vice President Sergio Ramirez Mercado, who warned that "the $100 million in aid for the contras will worsen the crisis and might generalize the war." I do not see that problem, Gen Hernandez Mendez said, because I believe that the creation of the parliament will prevent a confrontation. The meetings held for this purpose have been successful and a date has been set for its integration.

Meanwhile, the government maintains an active and neutral policy. The Army supports President Cerezo's position. We support neutrality, and we are confident that we will obtain greater cooperation in the future because "our institution is at a considerable disadvantage in military support aspects, as the Guatemalans and the Central Americans well know," Hernandez said. The Army struggles to resolve internal problems. We are prepared to fight insurgent groups and to maintain the peace of the population. Our struggle will be inside our territory. We do not want to meddle in the internal affairs of other countries.

Gen Hernandez Mendez is currently president of Condeca, a group that, in his opinion, has been paralyzed for the past 8 years. He said that "in order to reactivate it, talks must be held with the commanders of the other armies of the region to decide whether it is advisable to reorganize it." He added that no proposals have been made to reactive that organization. He said that he was invited by President Ortgega to visit Nicaragua, but in order to make the trip he must obtain permission from President Cerezo, who directs foreign policy.

There are rebel activities in some parts of the country, especially in the mountainous Peten Department and in San Marcos Department. Gen Hernandez Mendez ruled out a resurgence of the guerrillas. What happens, he said, is that the rebels receive greater support from similar groups in neighboring countries. "Military figures show that there is no increase of rebels in the interior of the country."

The military chief reiterated that the Army is determined to consolidate the democratization process. He added: "We want that to be our permanent position." President Cerezo has confidence in the Army. He knows that we are working for the good of his government and the fatherland, Gen Hernandez Mendez said.

GAM STATES POSITION ON INVESTIGATIVE COMMISSION

PA012327 [Editorial Report] Guatemala City EL GRAFICO in Spanish, on page 31 of its 20 June edition, publishes an approximately 2,500-word "paid advertisement" entitled: "The GAM [Mutual Support Group] Position on the Investigative Commission." Under a photocopy of a letter from President Vinicio Cerezo to the GAM, dated 29 April, the organization issues a statement to the effect that on two public occasions, and in the enclosed letter, the president promised to establish an investigative commission but is now moving slowly in this regard.

The GAM then states its position on the investigative commission in eight points, stressing mainly that although it has presented writs of habeas corpus for 1,367 cases of missing persons, it does not believe that these legal proceedings obviate the need for an investigative commission; that its members will not go to the Supreme Court or to "secret" places to testify, because to do so would be "to sign their own death sentences;" that the GAM members are anxiously awaiting a ruling in the habeas corpus cases; and that the investigative commission must be formed, despite the fact that a minority group will be "affected" by it.

After asking what has become of Cerezo's verbal and written promises, the GAM turns to the matter of Decree Law 8-86 on political amnesty for the Army. It calls for the decree to be declared totally unconstitutional, charging that the Army has granted itself amnesty as if it were a state.

Finally, the GAM statement dismisses a newspaper article that made "slanderous" remarks about GAM President Nineth Montenegro.

Army Rejects GAM Statement

PA012326 Guatemala City EL GRAFICO in Spanish 26 Jun 86 p 44

[Excerpt] The Information Office of the Guatemalan Army, for the purpose of assuring that no group will manipulate objective facts of the nation's history, is hereby responding to the paid advertisement of the so-called Mutual Support Group, GAM, published on page 31 of the 20 June edition of EL GRAFICO.

1. The amnesty decree includes terms calling for national reconciliation. It is strange that a group such as GAM -- which calls for humanism -- may call for a rupture of such a national reconciliation.

2. GAM mistakenly believes that an investigations commission that includes foreigners could do a better job than the Supreme Court of Justice and that once writs of habeas corpus are presented to the court, the interested parties should refuse to cooperate with the court's legal requirements. This type of attitude leads only to demagoguery and makes evident there is the intention to use the court to prove that there is a lack of functionality. [sentence as published]

3. GAM, openly forgetting its humanitarian interests, has become a mistaken accuser of an institution -- the Guatemalan Army -- of a government, and of the constitutional president, without using the resources that the Constitution provides. This is why, in pleading for their dear ones, they could be used for slander, perjury, etc., because pain cannot be calmed with injustice, falsehood, anarchy, etc.

4. The Guatemalan Army is not engaged in any psychological intimidation campaign or in any other kind of campaign, as GAM has been irresponsibly charging.

5. The government has repeatedly offered assurances to GAM leader Nineth Montenegro de Garcia.

HONDURAS

AZCONA VOICES 'REGRET' AT FERCH'S DISMISSAL

PA012134 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 1 Jul 86

[Jose Emiliano Soriano Report]

[Text] Yesterday, international dispatches from Washington reported that U.S. Ambassador to Honduras John Arthur Ferch had been replaced. Specifically, it was reported that the ambassador had been replaced unexpectedly yesterday, less than 1 year after taking office. A spokesman for the U.S. Embassy in Honduras confirmed the news. News stations, such as Voz de Honduras, for example, said that the measure was linked to Ferch's failure to correctly direct the policies of the Ronald Reagan administration toward Honduras and the Central American area. We immediately talked to Honduran President Jose Azcona Hoyo, whom Ferch met with yesterday to tell him about President Reagan's decision.

Here is the interview with the Honduran president:

[Begin recording] [Azcona] Well, that is a decision of the U.S. Government. I do not know what the reasons are. All I can say is that Ambassador John Ferch is a good friend of Honduras and a good friend of this government.

[Soriano] Mr President, before the news was disclosed, Ambassador Ferch visited you. Did he talk to you about this?

[Azcona] Yes, yes, he told me that he was going to be transferred to another post. I regret this. As I told you, he is a very amiable man and a good friend of Honduras.

[Soriano] Can the Honduran people learn about other details that were discussed during the meeting?

[Azcona] I do not know anything. These are things within the purview of the U.S. Government. I cannot comment on it because I do not know why it happened. He told me that he was going to leave the embassy in Honduras and that he wanted me to know about that situation. These are [words indistinct] decisions, the transfer of officials. He is a career diplomat. I suppose he will be transferred to another post.

[Soriano] Do you think he has done a good job as Washington's representative?

[Azcona] I think so. He has been very open and respectful of the government. I cannot speak for previous governments. I can say that in my government he has been very respectful of the decisions that have been taken. I think he is a good friend of Honduras.

[Soriano] How do you feel about the preparations which the ambassador was involved in prior to your trip to meet with U.S. President Reagan?

[Azcona] He made the appropriate contacts. The initiative to have the U.S. Government officially invite me began here.

[Soriano] During a conversation with Ambassador Ferch, he told me that some positive aspects were becoming noticeable as a result of your visit to Washington. How do you feel about that?

[Azcona] Well, several agreements have been signed. I think that our government is respected by the other countries with which we have had relations and by international organizations. They view it as a serious government.

[Soriano] To conclude, any message for the Honduran people through Voz de Honduras?

[Azcona] A heartfelt and affectionate message: I am working within my possibilities, with dedication and all my strength, abiding by Honduran laws. [end recording]

ROSENTHAL DISCUSSES NICARAGUAN RELATIONS

PA020307 Panama City ACAN in Spanish 2046 GMT 1 Jul 86

[By Armando Cerrato]

[Excerpt] Tegucigalpa, 1 Jul (ACAN-EFE) -- Today Jaime Rosenthal, presidential delegate, said that the United States does not need Honduran territory as a base for an invasion of Nicaragua. Rosenthal said: "The United States is so powerful it can attack any country in the world without using a third country. Likewise, it can send aid to any group attached to it anywhere in the world without intermediaries."

Rosenthal explained that the North Americans have attacked Europe, Japan, and many islands in the South Pacific, among others, Korea, the SRV, Grenada, and Libya from aircraft carriers which sailed from the United States. [sentence as received]

Rosenthal, President Jose Azcona's replacement in case of temporary or permanent leave and a government economic adviser, responded in this way to reports in the local and international press saying that Honduras is preparing for an invasion of Nicaragua. These same press versions report that the U.S. humanitarian and military aid to the "Nicaraguan counterrevolutionaries will pass through Honduras."

Likewise, it has been said on several occasions that Honduras has become a "huge aircraft carrier," to facilitate at any time the military actions of the U.S. troops in Central America and the Caribbean." Rosenthal added: "All these statements are false. President Azcona has said on several occasions that we will not lend our territory to invade neighboring countries." He said he is convinced that Nicaragua does not want a war with Honduras, "just as we do not want a war with anyone."

Rosenthal said that the Nicaraguans "have so many internal problems at this time that they are not in a position to turn their troops against their neighbors. Moreover, with the U.S. aid to the contras, the Nicaraguan problems will increase in the near future." He did not want to comment on why the United States has greatly strengthened the Honduran Army since 1982, when U.S. troops arrived for joint military maneuvers.

VENEZUELAN AMBASSADOR ACCUSED OF 'MEDDLING'

PA012231 San Pedro Sula TIEMPO in Spanish 30 Jun 86 p 3

[Text] The Honduran Government has categorically rejected the statements appearing in the latest edition of NEWSWEEK magazine published in the United States that were attributed to the Venezuelan ambassador to Honduras, Dionisio Marcano. According to the magazine, the Venezuelan ambassador said that "many feel Honduras is an occupied country; Honduras has sold itself to the United States."

Such statements indicate unusual meddling by a foreign diplomat in our internal affairs, which concern only our political sovereignty and which cannot be -- under any circumstances -- the target of verbal or any other kind of aggression. Honduran foreign policy is based on a respect for the principle of nonintervention and self-determination of the peoples, even though we would like that self-determination to take place within the framework of democracy.

Our government is very much surprised and concerned over the interventionist statements by Ambassador Marcano, as he represents a country with which we have had traditional relations of friendship and Latin American solidarity.

DEPUTY ACCUSES CONTRAS OF SELLING ARMS TO FMLN

PA020406 San Pedro Sula TIEMPO in Spanish 30 Jun 86 p 10

[Text] Modesto Rodas Vacas, a deputy of the ruling Liberal Party of Honduras [PLH], charged yesterday that the anti-Sandinist rebels based in Honduras are taking the weapons supplied to them by the United States and selling them to the Salvadoran leftist guerrillas who are struggling to oust the Jose Napoleon Duarte regime. The son of late PLH leader Modesto Rodas Alvarado also charged that the United States is pushing Honduras, El Salvador, and Guatemala to invade Nicaragua.

Rodas Vacas said that the camps of anti-Sandinist rebels are in El Paraiso Department. He stated that up to a little over 1 year ago, the rightist guerrillas supported by the United States also had bases in Choluteca Department.

"At present, all of them have been taken to El Paraiso," the politician said, pointing out that the Roberto Suazo Cordova regime always denied the presence of the contras in Honduras, but now Jose Azcona Hoyo has admitted their presence in national territory. "The camps have always been in Honduras, and not in Nicaragua," the deputy living in the southern Choluteca Department stated.

The politician accused the rebels who form part of the so-called FDN based in Honduras of being cattle rustlers both here and in Nicaragua and of evading clashes with the Sandinists. He affirmed that the Managua Sandinist regime will not be ousted by military means through the approval of aid for the rightist rebels supported by the United States. "They are not going to defeat the government of the nine commanders, the deputy said, pointing out that "the only feasible way would be to unite the armies of Honduras, El Salvador, and Guatemala to invade Nicaragua." Rodas Vacas charged that "the United States is leading to that," pointing out that when it is time for the war, the Americans are not going to send "a single soldier" from their country.

He estimated that with the aid of the $100 million approved by the House of Representatives for the contras, there will be a "few more rich ones in the rebel ranks." The deputy pointed out that on previous occasions Nicaraguan rebel leaders have charged there is corruption among the FDN ranks in handling the U.S assistance. He charged that in Choluteca the contras were selling arms, ranging from Browning pistols to M-3 and M-16 rifles, and they are currently doing so in El Paraiso Department. He pointed out that a Browning normally sells for 1,100 lempiras in the local stores, but the contras sell them for 150 lempiras. He added that the M-3 and M-16 rifles are sold for 250 to 300 lempiras.

He affirmed that the FDN contras are selling weapons to the leftist guerrillas of the FMLN of El Salvador. "The Salvadoran guerrillas have stocked up on weapons, food supplies, and rifles from the counterrevolutionaries, and this can be confirmed in El Paraiso," the poltician said. He pointed out that "weapons from the contras have ended up in El Salvador."

BRIEFS

NEW AMBASSADOR TO MEXICO -- Jose Ayax Zuniga Tellerias presented his credentials as new Honduran ambassador to Mexico to President Miguel de la Madrid on 17 June. He replaces Ricardo Pineda Milla. [Summary] [San Jose RUMBO in Spanish 20-26 Jun 86 p 2 PA]

NICARAGUA

ARCE ADDRESSES FOREIGN PRESS, FIELDS QUESTIONS

Contra Aid, LA PRENSA Closure

PA012131 Managua International Service in Spanish 1717 GMT 1 Jul 86

[Statement by Commander of the Revolution Bayardo Arce Castano, deputy coordinator of the FSLN Executive Committee, at a news conference with foreign correspondents in Managua on 1 July — recorded]

[Text] As we said in the National Directorate's statement, we have determined that it is necessary to take all the measures that will permit the Nicaraguan people to deploy their forces better and be in a better position to confront the new situation brought about by the approval of the $100 million. As you know, the problem is not only that the counterrevolutionaries are openly being given $100 million. Already [words indistinct] had reported that the CIA had moved $400 million in covert aid for the counterrevolutionaries. In other words, the aid does not amount to $100 million, but to $500 million. In addition, the package approved mentions $300 million for the Central American governments, with which their obedience would be bought. Now we are dealing not with $500 million but $800 million.

We can see this opens a new political stage of the U.S. aggressiveness that President Reagan does not conceal. He said that this is the first round. We do not know how many rounds the fight will have, 15, 10 or 3, because we do not know to what category this fight belongs, whether professional or amateur. One thing is certain, however, and this is that we have entered a new stage, and we must defend our revolution. We will defend our political pluralism, we will defend our mixed economy, we will defend our nonalignment, we will defend the possibility of drafting our constitution. We will do this by using all the means that the people require, whether military, political, or legal. Naturally, in this case we must prevent U.S. Government (?agencies) financed by this very same government from destroying our democracy and political pluralism.

This is why LA PRENSA was closed down. You know, and it has been published by U.S. newspapers, that this newspaper has been and continues to be financed by the U.S. Government through intermediate agencies. This fits with the shameless payments effected through an organization known as (?Proensa). LA PRENSA directors were also taken to the United States to campaign for the $100 million during their last offensive. We must defend our democracy against those agents of the U.S. Government.

Terms for LA PRENSA Reopening

PA012253 Managua International Service in Spanish 2200 GMT 1 Jul 86

[Text] Commander Bayardo Arce Castano, deputy coordinator of the FSLN Executive Committee, has said that the newspaper LA PRENSA will be authorized to circulate again when the U.S. Administration's aggression against the Nicaraguan people ceases. He made these remarks to the Association of Foreign Correspondents in Nicaragua [Asociacion de Corresponsales de Prensa Extranjera en Nicaragua], Acpenic.

Asked whether the death penalty for counterrevolutionaries and mercenaries who attack the Nicaraguan people will be (?established), Commander Arce said that this cannot be determined in [words indistinct] terms. Nicaragua respects accords signed by the United Nations [words indistinct]. Further, the leader of the Nicaraguan revolution said that during the fifth regular meeting of the Sandinist assembly, attended by [words indistinct] for the defense of the people, in view of the U.S. Government's new escalation of aggression.

Strictures on Opposition

PA011948 Paris AFP in Spanish 1831 GMT 1 Jul 86

[By Arturo Gudino]

[Text] Managua, 1 Jul (AFP) -- Commander of the Revolution Bayardo Arce Castano, deputy coordinator of the FSLN Executive Committtee, today said that the ruling FSLN will not allow the members of the opposition who travel abroad and "act as agents for the Reagan administration" to return to Nicaragua. In direct allusion to Cardinal Miguel Obando y Bravo, the most prominent member of the domestic opposition, Arce said that "they will be allowed to come and go as long as their positions remain civic. However, if they behave has agents for the Reagan administration, they will not be allowed to return no matter who they may be."

Last weekend, the Sandinist government refused to give permission for Msgr Bismarck Carballo, spokesman for the Managua archbishopric, to return to the country. This refusal was interpreted as a message addressed directly to Cardinal Obando y Bravo. However, Arce denied that there is a list with names of members of the opposition who will not be allowed to return to the country should they travel to the United States or any other country.

"For the time being, we will guarantee that those who leave the country will be allowed to return as long as they refrain from making statements in favor of the war that the United States and its mercenaries are waging against the Sandinist revolution," Bayardo Arce said during a breakfast with the foreign correspondents accredited in Managua. The Sandinist leader said that the opposition cannot ignore the $100 million in aid for the contras approved by the U.S. Congress nor the involvement of neighbor countries in the war against Nicaragua.

Meanwhile, Arce denied the rumors regarding the establishment of the death penalty in Nicaragua as a means to confront the domestic "subversion." However, he did not deny that the measure had been studied. Arce also stated that the Sandinist Government will not radicalize the revolution. "We continue to defend the strategic principles of mixed economy, political pluralism, and international nonalignment," Arce stressed while insisting on the fact that the approval of aid to the contras, "opens a new phase" in the Central American crisis. Arce warned that it is not only $100 million for the counterrevolution, but also $300 million to "try to buy" the Central American governments and $400 million for the CIA to use in the war against the Sandinists.

Regarding the closure of LA PRENSA, the opposition newspaper, Arce reiterated that this newspaper "always acted as spokesman for the Reagan administration" and that "its directors were constantly traveling to campaign in favor of the contras."

Arce also announced that the Nicaraguan Government will purchase more weapons from socialist countries to confront the rebels and an eventual U.S. invasion. "The danger of an invasion grows stronger. If Reagan fails with his mercenaries, and we are sure he will, he will have but two choices: invade or negotiate, and because of the way he thinks, he will choose the first alternative," Arce warned.

The Sandinist leader, who described the U.S. President as a "fascist," said that "Nicaragua has hopes that once Reagan leaves the White House, the possibilities of negotiation will improve." "We think that nothing worse can come after Reagan," Arce added.

Meanwhile, Arce said that the Sandinist Assembly -- the National Directorate's consultation organization -- is currently analyzing the country's economic situation which is being described as the revolution's Achilles heel. "We are involved in an indepth study of the economic problem to find solutions to the serious problems" of supply, lack of food, and the high prices that are affecting 3 million Nicaraguans.

Citizenship for 'Foreign Agents'

PA020427 Managua Domestic Service in Spanish 0312 GMT 2 Jul 86

[Excerpts] Nicaragua will adopt the necessary measures to guarantee the people's defense against the aggression financed by the U.S. Government, making use of all means, leaving no room for foreign agents to destroy Nicaragua's democracy, Commander Bayardo Arce Castano, deputy coordinator of the FSLN Executive Committee, said. Arce discussed the agents who insult and act as enemies of their country, revealing that a proposal will be submitted for approval as part of the new Constitution which denies citizenship to those people.

Here is what Commander Arce said:

[Begin recording] In the discussion of the new constitution, there is a proposal which we consider a good countermeasure and are currently debating whether to approve it for inclusion in the constitution. It denies citizenship to those individuals who have blatantly renounced it by becoming U.S. citizens, registered in Reagan's Republican Party of their own will. [end recording]

ICJ Ruling Enforcement

PA020116 Managua International Service in Spanish 0006 GMT 2 Jul 86

[Text] Nicaragua can appeal to the U.S. judicial system to ask that the U.S. executive branch heed ruling of the International Court of Justice [ICJ] that that nation pay reparations to Nicaragua, Commander Bayardo Arce said today. During a news conference, the deputy coordinator of the FSLN Executive Commission told international correspondents that the amount to be paid in reparations can be determined by the ICJ. Nicaragua will continue to make efforts to ensure that the ICJ ruling will not be good only on paper. We believe that the worst thing we must face [words indistinct] international relations and that the world's leading organizations be mocked, the Sandinist leader stressed.

BARRICADA EXPLAINS CARBALLO ENTRY DENIAL

PA020338 Managua BARRICADA in Spanish 1 Jul 86 p 5

[Text] Here are the reasons why Priest Bismarck Carballo cannot return to our country: he conducted an open and strong campaign in favor of the approval of the $110 [as published] million for the Somozist mercenaries; he carried out propaganda activities that are totally against the Nicaraguan people; and he defamed and slandered the revolution through various media sources. This was announced yesterday by official government sources.

Carballo, a spokesman of the Nicaraguan Catholic hierarchy, has been slandering and defaming the revolution from his pulpit in Managua. On 10 and 13 April of this year he said: "The copies of the Sunday publication THE CATHOLIC HERALD, whose contents were clearly liturgical, have been confiscated. The cardinal's [Obando y Bravo] column, 'The Voice of Our Pastor,' published in LA PRENSA has been suspended, as well as other articles, in order to prevent the church from using the media."

However, Priest Carballo never mentioned the church's intentions behind those publications, which were particularly meant to encourage youths into evading the Patriotic Military Service [SMP], or the undertone of the articles that Obando y Bravo published in LA PRENSA.

In Costa Rica, he expressed his fears about the seminarians' return to their seminary, because they could be taken away by the authorities. However, he did not specify that the center was used as a refuge for many youths trying to evade the SMP. On 28 May he said in Taily: "The church is against U.S. imperialism, as well as against Soviet and Cuban imperialism. The church does not express its position against the U.S. aggression in a written document because it would be used by the Sandinist government for propaganda purposes, and because a very dangerous Marxist-Leninist ideological campaign is being conducted, which has resulted in the closure of the church's voice, Radio Catolica."

In his statements, Priest Carballo ignores the church's commitment to the Catholic people, takes sides with the aggressors, and then appears as a victim of the measures taken by the government to defend the revolution.

Carballo maintained that the same campaign of lies and calumnies during his appearance in the United States, with the difference that he used stronger and more offensive terms. On 30 April he said: "The commanders shiver when they hear Cardinal Obando y Bravo's name." At the same time, he began an intensive campaign together with Cardinal Obando y Bravo and Bishop Vega, which clearly showed that he favored the aid for the Somozist mercenaries. His statements were very useful for Reagan's campaign in the U.S. Congress.

CPDH LEADER CRITICIZES HUMAN RIGHTS SITUATION

PA302140 San Jose LA NACION (NICARAGUA HOY supplement) in Spanish 21 Jun 86 pp 1 C, 3 C

[All quotation marks as published]

[Text] "Nicaragua is experiencing the most difficult human rights situation in its history," Lino Hernandez, national coordinator of the Permanent Human Rights Commission (CPDH), has asserted, adding that "there are currently no fewer than 10,000 political prisoners in the Sandinist jails."

"The human rights situation in Nicaragua is so difficult that our existence as a commission and our personal freedom are not guaranteed in our country," Hernandez asserted during an interview with NICARAGUA HOY. "The CPDH receives no fewer than 150 complaints monthly about violations of human rights by the government -- including deaths, torture, mistreatment of prisoners, disappearances, persecution against unions, as well as religious persecution -- and by the military. Moreover, of the "no fewer than 10,000 political prisoners in Sandinist jails, 2,000 are peasants from various departments in northern Nicaragua who are being held without sending their cases to any court." "Since December last year the regime has unleashed a fierce persecution against the peasants of at least six departments in our country's northern region, accusing them of collaborating with the insurgents and, unfortunately, this means that the number of prisoners will continue to increase every day," he stressed.

In addition to pointing out the serious status of human rights in Nicaragua, Hernandez said that the State Security Corps "acts outside all laws without control, and we have no means to change this situation." "We have cases of people who were arrested by the State Security Corps a year ago, but their cases have not been passed on to the courts, which not only represents a violation of human rights, but a demonstration of arbitrariness by that Interior Ministry office."

After mentioning the three peasants who were made to disappear by the State Securiy Corps in May, Hernandez voiced concern over the already constant deaths of prisoners in the Sandinist dungeons which are later depicted as "suicide cases." Bringing out the case of former Sub-Lieutenant Jose Eduardo Trejos Silva, who died at El Chipote jail, Hernandez said that "the CPDH had learned that this prisoner was being subjected to ill treatment in the jails." "Regarding the case of this former Sandinist serviceman who 'committed suicide' in the jails of the Nicaraguan Government, we can assert that we noticed "a number of irregularities in the case of this unfortunate man," he asserted. "We watched on state television the savagery with which Trejos Silva and the other military man called Aguado had their clothes removed in a public act of degradation," he noted. "During the trial of Trejos Silva and Aguado Montenegro, the dignity of those prisoners was not respected. Besides, we are surprised that a prisoner should have hanged himself with a sheet, as the Interior Ministry said in its communique, because we know from testimony by many former inmates that "prisoners are not allowed to have sheets" in El Chipote Jail.

There is human rights issue on which the Sandinist regime takes a most harsh stand. It is that Manague "does no admit objections of conscience from any standpoint." Tens of youths from the "Jehovah's Witnesses" sect who have refused to put on the military uniform and fight because they are conscientious objectors have been forced to undergo training and have been forcibly taken to fight," Hernandez asserted. "The trials for draft dodging are actually few because the government is mostly interested in getting the boys to go and fight."

Questioned about the restraints on and future of the CPDH, Hernandez answered: "Our future as an organizaton and our freedom as people are not guaranteed in Nicaragua, but this is a commitment we have assumed before our people since the foundation of the commission in 1977." "Since that date we have even defended many of those who are currently holding some of the highest positions in the Sandinist government and who, from these positions, enjoying the perquisites afforded by power, are now assailing and persecuting our organization," he said in concluding.

UNO QUESTIONS EPS VERSION OF EEC OFFICIAL'S DEATH

PA300346 Bogota EL SIGLO (NICARAGUA HOY supplement No. 63, 25 Jun) in Spanish 24 Jun 86 p 2

[Communique issued by the Nicaraguan Opposition Unity (UNO) on 13 Jun; place not given]

[Text] On 5 June the newspaper BARRICADA reported that a Belgian citizen, representing the EEC, was killed by a Sandinist soldier. According to an official communique issued by the Defense Ministry, published by BARRICADA that day, Paul Dessers, a Belgian civil engineer, was fatally shot at the intersection of the Matagalpa-La Dalia highway in Matagalpa Department. Dessers had worked in Nicaragua for more than 2 years as an EEC adviser for the Carlos Fonseca Amador agricultural development project. Desser was killed by Francisco Perez, an EPS soldier, when he tried to stop the vehicle in which the European was travelling. The vehicle had an International Mission (MI 003) license plate, which is the same color as diplomatic license plates. The only difference is that the international license plate has the letters "MI," and the diplomatic plates, "CD."

The Defense Ministry communique says that Perez was trying to desert from EPS Military Counterintelligence (CIM) at the moment of the shootout in which Dessers was killed. The communique says that just before the grave incident, links between Perez and the armed opposition in Region VI, had been discovered. Perez fired his AK-47 rifle at Dessers when Dessers did not heed an order to halt. Immediately afterward, Perez fled but was captured and shot to death when he resisted arrest, the official communique says.

Dessers is the first member of an international organization to be killed in Nicaragua. The intersection where he was killed is a regular EPS sentry post. Obviously the EPS and the government have made up the story in a futile effort to clear themselves of all responsibility in this unfortunate incident. The report is full of contradictions: If Perez were wanted by the CIM, what was he doing at the EPS sentry post? And what is more, why did Perez not escape in Dessers' jeep, if, as the communique says, that was his intention when he shot Dessers?

UNO maintains that the Nicaraguan Government has made up a Soviet-style alibi to avoid its responsibility in this case. It should be forced to tell the truth about this unfortunate incident. At the least, an official explanation is necessary, or the countries of the EEC should reconsider their aid to the Nicaraguan Government, in view of the obvious danger faced by the members of its international mission in the country.

In the past it has been the regime's fatal tradition that a soldier in a sentry post has the right to shoot first and ask questions later. This totalitarian practice has taken the lives of many innocent Nicaraguan citizens whose only mistakes was not to have heard the "fatal halt."

UNO deeply regrets Dessers' death and urges the governments that are still sending their citizens to Nicaragua in a spirit of altruism and cooperation to think it over, so that in the future situations like this do not happen again.

Propaganda and Press Office, UNO

RAMA RIVER FLOODS FORCE EVACUATION OF THOUSANDS

PA302244 Managua International Service in Spanish 2200 GMT 30 Jun 86

[Text] Flooding of the Rama River, in the southern part of the Nicaraguan Atlantic coast, has caused 7,000 victims and destroyed over 100 hectares of corn.

The disaster, one of the major catastrophes of recent times, damaged many houses and killed thousands of domestic animals. German Benavides, political secretary of the FSLN for the affected region, said that a commission that will provide the victims with food and medical care has already been formed. It is important to point out that, thanks to the quick actions of the civilian defense in evacuating the residents to safer places, we have the death of only one person to regret.

MENINGITIS EPIDEMIC NOTED; U.S. ROLE SUSPECTED

PA300439 Managua International Service in Spanish 0000 GMT 29 Jun 86

[Text] The viral meningitis epidemic that has been reported in Managua could be the result of a bacteriological aggression on the part of the U.S. Government. Public Health Minister Commander Dora Maria Tellez did not discard this possibility, as she referred to the Reagan administration's lack of scruples. She said that 42 cases of meningitis, mainly affecting children, have been reported. She also referred to thousands of cases of gastroenteritis throughout the country.

BRIEFS

FINLAND GRANTS $20-MILLION LOAN -- The Finnish Government granted a $20-million loan to Nicaragua. This $20 million will be used to help the dairy industry. Pedro Antonio Blandon, Nicaraguan deputy foreign cooperation minister, negotiated this loan within the framework of Vice President Sergio Ramirez Mercado's trip to several European countries. The Nicaraguan Health Ministry will also benefit from this loan. It will receive medicine and hospital equipment. [Summary] [Managua International Service in Spanish 2000 GMT 20 Jun 86 PA]

NEW SPANISH AMBASSADOR -- New Spanish Ambassador Yago Pico de Coana y de Valicourt has presented his credentials to President Daniel Ortega. [Summary] [San Jose RUMBO in Spanish 20-26 Jun 86 p 2 PA]

SOTO MEETS WITH CPSU'S DOBRYNIN 30 JUNE

FL010200 Havana Radio Rebelde Network in Spanish 2300 GMT 30 Jun 86

[Text] Anatoliy Dobrynin, CPSU Central Committee member, met in Moscow today with Lionel Soto, Communist Party of Cuba Central Committee Secretariat member and ambassador to the Soviet Union. Aspects of mutual interest were discussed during the meeting.

RISQUET RECEIVES ETHIOPIAN PARTY OFFICIAL

FL011234 Havana Radio Progreso Network in Spanish 1100 GMT 1 Jul 86

[Text] At Central Committee headquarters, Jorge Risquet, member of the Politburo and Secretariat, has received Ashagre Yigletu, secretary of foreign relations of the Workers Party of Ethiopia, who is visiting Cuba at the head of a delegation from that organization

During the fraternal and wide-ranging conversation, Comrade Yigletu provided detailed information on the discussion by the masses of the draft constitution that will establish the socialist character of Socialist Ethiopia and of the institutions that will hold the reins of state.

HAVANA TV CONDEMNS U.S. AID TO CONTRAS

FL011926 Havana Tele-Rebelde Network in Spanish 1100 GMT 30 Jun 86

["International commentary" by Juan Francisco Alvarez during the "Revista de la Manana" program]

[Text] The unprecedented decision made a few days ago by the U.S. House of Representatives, which yielded to the interests of Washington -- that is, to the private interests of President Ronald Reagan in his dispute with Nicaragua -- constitutes a formal declaration of war between two countries that, despite everything, maintain diplomatic relations.

This decision by the U.S. lower house ignores the International Court of Justice's almost unanimous condemnation of the U.S. bombings of Nicaraguan territory, the mining of Nicaraguan ports, and the continuous aggression of the counterrevolutionary bands that are armed, organized, and directed by the United States against the Sandinist revolution.

In this paroxysm of terrorism that appears to guide all U.S. domestic and foreign policy, the Central Intelligence Agency -- the baneful CIA -- has set aside its proverbial discretion in the past few hours and acknowledged that it had $400 million ready for the Nicaraguan counterrevolution. This means that it is no longer a question of the additional $100 million to be sent urgently to the anti-Sandinist counterrevolution.

NEWSWEEK, which printed this information, supplied of course by top leaders of the CIA, said the CIA was willing to provide logistical support, training, communications, and intelligence information to the counterrevolutionaries up to that amount. Logistical support is all the arms the counterrevolution needs, provisions, food, medicines, etc.

Training refers to that received both in Honduras and Costa Rica and to the training some important figures receive in the United States. Communications refers to the sophisticated means used to communicate not only with the counterrevolutionary bases in Honduras and Costa Rica but also with the leaders of the so-called Nicaraguan Democratic Force [FDN], who are in Miami and other U.S. cities. Intelligence information is the information acquired by U.S. spy planes and satellites that are sent to photograph [words indistinct] the counterrevolutionary groups that act against Nicaragua from Costa Rica and Honduras.

The publicity hoax of the CIA is evident. The CIA has never let it be known that it would send that amount of money to the Nicaraguan counterrevolution, and we all know that daily, through the secret conduits set up in the U.S. Embassies in Tegucigalpa and San Jose, the CIA provides funds to the FDN and to other counterrevolutionary groups that act against the Sandinist revolution

Washington's latest decisions arouse international rejection, and several governments and officials of certain countries, especially of the Contadora Group and the Support Group, have come out against Washington's most recent decisions. They foresee the Vietnamization of the Central American conflict, which may lead the CIA to a situation similar to that of the Indochinese republic in the 1960's.

Meanwhile, in Nicaragua, the Sandinist government is taking measures against Washington's new escalation. It is preparing to strengthen defense in every way. Production is being increased to guarantee that the Nicaraguan people will be supplied and to try to crack the ironclad blockade the United States has decreed against Nicaragua. The Sandinist government is also combating the forces of domestic reaction. In this way, Nicaragua is preparing to face up to new mercenary attacks, murders, and kidnappings, and it is preparing not only to confront the domestic and foreign counterrevolution but also to resist a direct invasion by U.S. forces.

CASTRO PRESIDES OVER POLITBURO MEETING 27 JUNE

FL301206 Havana Radio Progreso Network in Spanish 1100 GMT 30 Jun 86

[Text] In a meeting on 27 June, the party's Central Committee Politburo studied documents that will be submitted to the Central Committee's second plenary meeting and approved in principle the economic and social evaluation of 1985 and of the first months of 1986.

Central Committee First Secretary Comrade Fidel Castro presided over the meeting. Participating were the Central Committee secretaries, the first secretaries of the provincial committees of the party and of the special municipality, the Union of Young Communists first secretary, the Council of Ministers vice presidents, the Central Committee department chiefs, and the ministers of the productive sectors and of the main government organizations related to the economy.

At the meeting it was made clear that the economic and social evaluation must achieve conceptual depths that correspond to the process of clarifying principles and correcting the methods used in directing the economy, the state administation, and the exercise of government and that should characterize this stage in the light of the reiterated pronouncements of Comrade Fidel.

The Politburo also studied the report and recommendations on the results of the plenary meetings of the provincial and municipal committees that were held recently. The Politburo agreed to present to the Central Committee plenary meeting a plan of measures enriched by the fecund debates that took place at the meeting with administrative, political, and trade union leaders of the Havana enterprises, and by the orientation provided by the commander in chief at that meeting.

When the Politburo meeting concluded, Comrade Fidel stressed the advisability of carrying out similar meetings in all provinces with the country's remaining enterprises.

All participants ratified their conviction that our working class and the entire working people, headed by the Communists and with the decisive contribution of the trade union movement and the consistent performance of the state organizations, will carry forward with maturity and revolutionary zeal the process of correcting and perfecting the performance we have already begun.

Opens Genetic Engineering Lab

FL020118 Havana Television Service in Spanish 0000 GMT 2 Jul 86

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, presided over the opening ceremony of the genetic engineering and biotechnology center this afternoon. Foreign personalities who attended were specially invited to the official opening of the new center.

Next to our commander in chief, Public Health Minister Julio Tejas and members of the organization's board of directors sat at the presiding table. Among the guests were WHO Director General Halfdan Mahler, Ecuadoran Public Health Minister Jorge Bracho, and U.S. scientist Randolph Lee Clark, who expressed their admiration of this extraordinary work of scientific progress built by our country's revolution.

During the event, the center's importance in conducting research was noted. The results of the work to be conducted here will have a great impact not only on our people but on fraternal countries of the Latin American continent and the Third World.

[Begin Castro recording in progress]... but the quality with which they have built it. I was able to notice this recently during a visit to the laboratories. I believe this is one of the projects that has been built with the highest level of quality in our country. So, we have to congratulate them not only for the speed with which they built it but also for the resulting high quality of the work. [end recording]

BRIEFS

NEW AMBASSADOR TO IRAN -- The Council of State has designated Comrade Isidro Contreras Perez ambassador extraordinary and plenipotentiary of the Republic of Cuba to the Islamic Republic of Iran. [Excerpt] [Havana Tele-Rebelde Network in Spanish 1102 GMT 26 Jun 86 FL]

REPORTAGE ON CARICOM MINISTERS MEETING

Barbados' Barrow Addresses Group

FL020039 Bridgetown CANA in English 2334 GMT 1 Jul 86

[By Trevor Simpson]

[Text] Georgetown, Guyana, July 1, CANA -- Leaders from the English-speaking Caribbean opened a four-day summit here today to a clarion call by Barbados Prime Minister Errol Barrow for concerted regional action to preserve the sovereignty and guarantee the unity of the 13-nation Caribbean Community (Caricom).

In a half-hour discourse that won him frequent applause from the 2,000 delegates and invited guests at the National Cultural centre, Barrow said that whatever differences faced the four-day conference, regional heads of government should be at one on the absolute necessity to promote and defend the solidarity and sovereignty of this regional Caribbean family.

The leaders present had an absolute obligation to discover those strategies and mechanisms which will ultimately lead to unity of action in all major areas of economic, social and political life, declared the veteran prime minister, one of the founding fathers of the regional integration movement. The recently decentralised University of the West Indies (UWI) needed to retain its regional character and get out more into the community, Barrow said.

He said there was a hostility towards food production in Caricom which had to be broken down, and stressed that the Caribbean must be recognised and respected as a zone of peace.

There had been over the years, he said, too much of a tendency to regard trade as the be-all and end-all of the regional integration movement to the extent that the slighest discord between the prime ministers over some restriction affecting type or quantity of wearing apparel can plunge citizens of the two counutries into verbal or electronic warfare.

The promise of the regional integration movement even in the area of trade, cannot be realised unless we find new ways of communication to the mass of our people the need and purpose of all our regional institutions, Barrow, one of six speakers, told the ceremonial opening of the summit. Against this background, he urged his colleagues to commit themselves to the principle of the mobility of people and of people interaction within Caricom. We have an obligation to think and go on thinking of ways of how such a principle might be applied without imposing on any territory a greater strain than its resources are able to support, the Barbadian leader said. It was vital too, he said, that regional governments, the press, the church and all other organisations and institutions that call [words indistinct] join in the battle of defence of the unity of the region.

Hoyte Calls for Joint Venture

FL011925 Bridgetown CANA in English 1916 GMT 1 Jul 86

[Text] Georgetown, Guyana, July 1, CANA -- Guyana President Desmond Hoyte today called for a new regional joint venture regime in which public and private sector resources are pooled to the benefit of the 13-nation Caribbean Community (Caricom).

Hoyte canvassed the idea when he delivered the welcome address at the official opening of the seventh Caricom heads of government conference here. We have tended to regard the regional economy as a mere agglomeration of the separate economies. We must move rapidly and resolutely towards the concept of an integrated regional economy, the Guyanese leader told colleagues and guests at the national cultural centre here. He went on: It is appropriate...that we revisit the idea of the Caricom joint venture corporation. We should create conditions and establish mechanisms to encourage and facilitate a practical alliance of each country's resources with those of other Caricom countries, without shutting the door to non-Caricom enterprise and investment.

Guyana, he said, had already been making proposals along these lines to Caricom partners, seeking to ally its extensive natural and other resources -- including timber, fish, shrimp, gold, diamonds and silica sand -- with their strengths. Our proposals are based on the understanding that there exists entrepreneurial talent throughout the private and public sectors of the community; that such talent would respond to the production and export opportunities in a joint venture framework in which adequate returns on and repatriation of investment are possible; and that participation of non-Caricom partners is welcome, particularly in terms of financial, technological and extra-Caricom market support.

Further it is envisaged that the Bank of Guyana and its sister central banks would allow trans-border flows of funds and retentions of foreign exchange to satisfy the legitimate cash flow needs and ensure the viability of the arrangement. Initiatives such as these, he said, may well have the potential for simultaneously stimulating domestic economies as well as intra and extra-regional trade, one of the key issues to be tackled by the four-day summit meeting.

Hoyte said the findings of a Caricom technical group which examined the benefits of the two year old U.S. Caribbean Basin Initiative (CBI), a trade aid and investment programme -- were a matter of concern to the regional integration movement.

Notwithstanding such benefits as may have flowed from the arrangements, the fact is that in each of these areas of trade, investment, and economic assistance, decreases have taken place and actuality has fallen short of expectation, the Guyanese head of state said. The conclusions of our technicians seem to require us to examine the (sense) of any strategy excessively dependent on extra-regional support, or inordinately reliance on external benevolence.

Rainford Marks Anniversary

FL301906 Bridgetown CANA in English 1826 GMT 30 Jun 86

[Caricom Secretary General Roderick Crawford's message to the community member-states on the 13th founding anniversary, issued in Georgetown, Guyana, on 30 June by the Secretariat]

[Text] July 4th, 1986 marks the 13th anniversary of the signing of the Treaty of Chaguramas. The 13th birthday of the Caribbean Community Common Market, and the experience of these past 13 years leads us to adopt a posture which reflects a sober blend of optimism and realism.

The need for realism is dictated by the many trials and setbacks we have had to face in the challenging tasks of securing the individual and collective independence of Caricom states, of pursuing the inescapable imperatives of regional co-operation, and of coping with the pitfalls of international, political, and economic interaction.

Optimism, on the other hand, is justified in that the foundation of the integration movement is anchored in our shared historical and cultural experience and in that, however, tossed about the integration vessel may have been, we have thus far survived the journey.

This combination of realism and optimism has sustained all who have had the honour to serve the community during its 13 years of operation. The coming year promises to be no less difficult and demanding for the peoples and governments of the community that the first 13 years have been.

Their continuing collective effort to build up their economies and the narrow and fragile foundations inherited from the past will test to the utmost their faith, patience, commitment, and resourcefulness in the years ahead.

The world economic situation and internal pressures within Caribbean societies have made the task even more onerous as regional governments struggle to cope with the burden of their external debt and with deteriorating balance of payments.

Trade protectionism in the markets of some key industrialised countries and the growing assault on multilateralism in international, political, and economic relations are some of the hurdles at the wider global level we must surmount as we strive to construct a viable social and economic order at home here in our region, and as we preservere in the quest to make our way in the world.

There are also difficulties within the region that must be overcome during the 14th year of the community and beyond.

In this connection, a principle task before us is the recovery of the ground lost over the past four years in intra-regional trade.

The dialogue that has been in process in the region about this problem and appropriate measures to deal with it must be continued until our objectives are achieved.

In particular, in order to secure the basis for long term growth in production and trade, the region must proceed, in the immediate future, to extend and deepen its economic co-operation programmes in ways that harness the resources to supply the integrated markets of caricom countries.

Our continuing collective efforts to promote regional co-operation in agricultural development, in industrial programming, and human resource development are vital to the accomplishment of this long term goal.

In this regard, the common policies contained in the Nassau Understanding on Structural Adjustment and in the Barbados Consensus on the Development of Local and Regional Entrepreneurship and Skills, approved by Caricom heads of government at their fifth and sixth meetings in 1984 and 1985, respectively, remain vitally important collective statements of intent that must be given increasing practical effect with each succeeding year.

As the regional movement advances towards the goal of ever deeper levels of integration, it is a source of inspiration and encouragement that there is widening involvement of the regional public in the process and that the building of the Caribbean Community is not being regarded as the business of governments along.

The regional media and business, labour, professional and community organisations are impinging more and more on the policy process that shapes the community.

At this juncture, therefore, as Caricom Day 1986 marks the end of the 13 and the beginning of the 14 year of the community, we have the welcome assurance that the advance towards greater unity in the integration movement is an advance shared by the broad spectrum of interests in the regional public as a whole.

It is, with that satisfying reflection, that I extend best wishes for a happy Caricom Day to Caricom nationals everywhere.

Barbados Urges Economic Integration

FL270016 Bridgetown CANA in English 2101 GMT 27 Jun 86

[Text] Georgetown, June 27, CANA -- Barbados said today there was no viable alternative to Caribbean economic integration for regional development and Caricom member states must seek to make the current systems work. The island's new Trade Minister Evelyn Greaves made the point when he addressed his first Caribbean Community council of ministers meeting here.

Greaves call came against the backdrop of a major loss in momentum in the integration movement, characterized by import curbs, falling foreign reserves, balance of payments difficulties, and a dramatic decline in intraregional trade, with a resulting large scale job losses in industry in the 12-nation [number as received] Caribbean Common Market.

It is clearly the responsibility of this council to search for and identify practical solutions to put an end to these negative developments and to set the integration process in a positive direction once again, said Greaves.

The Barbados minister said that in this connection he viewed the proposed establishment of a new scheme to help Caricom exports as a critical and pressing issue. I firmly believe that intra-regional trade constitutues the very nerve centre of regional economic integration and that the future of the intergration process hinges on the expeditious identification of practical solutions to the problems we currently face, Greaves told the opening session.

The council -- second highest decision-making forum in Caricom -- has before it what Caricom Secretary General Roderick Rainford described as matters of fundamental importance. Topping the list are continuing efforts to restore growth in intraregional trade, the implementation of new marketing arrangements for agricultural product, and reorganization of the rules and tariffs that govern common market trading.

The council -- made up mostly of trade ministers -- will also seek during the two-day session to resolve problems linked to the production and marketing of edible oils and discuss the allocation of funds for regional projects under the current Lome Convention governing trade and cooperation between Europe and the African, Pacific, and Caribbean (ACP) group of developing states.

The outcome of the deliberations will go before next week's four-day Caricom heads of government summit which opens here Tuesday.

Grenada this morning handed over the chairmanship of the council to Guyana, whose trade minister is Winston Murray.

Trade Credit Facility Discussed

FL272020 Bridgetown CANA in English 1940 GMT 27 Jun 86

[By Trevor Simpson]

[Text] Georgetown, Guyana, June 27, CANA -- Substantial progress has been made with the formulation of plans to set up an independent new credit scheme to support a revitalized Caribbean Community export thrust, well informed sources said here today. The so-called Trade Credit Facility (TCF), seen as potentially vital to stimulating the sagging export earnings of member states, is one of the important issues going before Caricom finance ministers in Trinidad on Sunday.

The one day ministerial session is a vital forerunner to next week's Caricom heads of government conference at which financial and economic matters will have high priority.

The finance ministers, many of them heads of government, are being asked to endorse the mechanics of a scheme that would see a fund of at least U.S. 25 million dollars created to provide either pre or post-shipment credit to Caricom manufacturers with firm export orders but no guarnateed financing. Under the arrangement, particular encouragement is expected to be given to non-traditional exports.

According to the recommendations of regional technocrats, the TCF would be jointly financed by Caricom governments and the private sector, with soft loan support from international funding agencies. It is expected to be managed, at least initially, by the Barbados-based Caribbean Development Bank, which mooted the idea a year ago.

To operate viably at full capacity, the experts say, it would require about U.S. 75 million dollars. It is envisaged that it would take about six months to raise a satisfactory level of funding and put the administrative arrangements in place, the sources said. Already informal discussions have been held with the Inter-American Development Bank (IDB) and the European Development Fund (EDF).

We envisage that it (TCF) would operate through and/or in conjunction with export crditi facilities where they now exist in Caricom, as well as through other financial institutions like commercial banks, the sources told CANA.

The TCF is the most concrete new proposal yet for reversing a worrying four-year decline in intra-regional trade -- lifeblood of the 12-country Caribbean Common Market. Last year's intra-regional imports totalled EC1159.5 million dollars (1 EC dol; 37 U.S. cents) compared with a peak EC1.6 billion in 1981. Set against the 1984 performance, the fall off last year was 3.3 per cent.

The problem has been compounded by the Community's failure so far to reactivate a previous trade credit facility which had reduced the need for up-front foreign exchange in trading among common market members. Under the Caricom Multilateral Clearing Facility (CMCF), Caricom states used to trade in their domestic currencies and then settle their balances in U.S. dollars twice a year. The system collapsed in 1983 when it hit it U.S. 100 million dollar ceiling because of substantial indebtedness by one member financial backing to significantly lower the debt.

Commonwealth's Ramphal on RSA Sanctions

FL301520 Bridgetown CANA in English 2123 GMT 28 Jun 86

[By Bertram Niles]

[Text] Bridgetown, Barbados, June 28 CANA -- Commonwealth Secretary-General Shridath Ramphal said today that the decision of European Community (EC) leaders to postpone a decision on imposing economic sanctions against Republic of South Africa [RSA] would be opposed by the Commonwealth.

The Commonwealth will have no part of the EC's equivocation over apartheid, said Ramphal on arrival here en route to his native Guyana to attend a meeting of Caribbean heads of government. On the urgings of Britain and West Germany, a community summit in The Hague yesterday deferred a decision on imposing economic sanctions despite a threat last year to impose sanctions if violence continued in South Africa. The EC said it will consider in the next three months and in consultation with other industrialized states whether new measures may be needed to press home to Pretoria EC anger over the lack of progress in its efforts to dismantle apartheid. It attached a short list of products that could be banned without leaving much of a mark on EC trade with Pretoria.

The community's decision was both misguided and contradictory and the world, including many Europeans, will not acquiesce in it, Ramphal said in a statement. It was misguided because it sought to buy time for decisions on money in Europe at the cost of human lives in South Africa, black and white.

It was contradictory because, as the Commonwealth EPG [Eminent Persons Group] report concluded, the absence of economic sanctions is already deferring change in South Africa; yet the EC defers sanctions claiming that it wants to advance change.

The report of the EPG released two weeks ago recommended that economic pressure be brought to bear on Pretoria, saying it may be the last chance to avert the worse blood bath since World War Two.

The group was set up at last October's Commonwealth summit in Nassau to search for ways of bringing peace to South Africa. Seven Commonwealth heads of government will meet in London in early August to review the report and other developments. Apartheid will ride roughshod over appeasement, said Ramphal on the EC decision. Long before three months are spent, he said, the evil realities in South Africa will overwhelm restraint on sanctions. The commonwealth, however, will stay on course, faithful to the findings of the group of eminent persons.

OECS on Normal Trade Relations

FL301545 Bridgetown CANA in English 2320 GMT 28 Jun 86

[Text] Georgetown, Guyana, June 28, CANA -- Director-General of the Organization of Eastern Caribbean States (OECS) Dr Vaughn Lewis says the OECS member states want the normalization of relations among Caribbean Community member states to be the number one priority at next week's Caricom heads of government conference here.

Lewis told CANA the trade policies of Trinidad and Tobago and currency devaluations in Jamaica were causing damage to the economies of member states of the seven-nation sub-regional group. He expressed particular concern about the licensing system and foreign exchange controls in Trinidad and Tobago.

We continue to have difficulties with the export of garments and shores to the Trinidad market. We believe that there is a fair amount of scope for exporting to Trinidad and Tobago but these artificial barriers are really hindering us, Lewis said.

The OECS countries experienced a 12.9 percent decline in trade with Caricom member states in 1985 compred to the previous year, according to private sector analyses.

Dominica, he said, had experienced some positive movement in trade with Port-of-Spain and there was a slight improvement between the OECS and Jamaica, but nothing of any substance.

The OECS director-general said the economic difficulties facing Trinidad and Tobago's oil-based economy were well known and most member states have accepted that the level of trade with Port-of-Spain could not get back to that which obtained in the boom years. According to him, protectionism needs to be removed if there is to be a healthy level of intra-regional trade.

Lewis in fact said that some member states were waiting for the Chambers government to relax its trade restrictions before they themselves fully implement the 1984 Nassau measures to restore intra-reginal trade. Lewis said the OECS member states were interested in the resuscitaion of the Caricom Multilateral Clearing Facility, the suspended payments mechanism for intra-regional trade.

Caricom finance ministers are meeting in Port-of-Spain tomorrow to discuss the CMCF and a proposed trade credit facility to boost exports within and outside the region. We in the OECS feel that the CMCF should be revived because it would open up possibilities for trade with Guyana, Lewis said. To date there has been no concensus on the facility, he said, but the finance ministers would examine it again.

Commenting on the structural adjustment economic programme being pursued by member states -- one of the key agenda items at the summit -- he said that different countries were pursuing this in different ways and some progress has been recorded. Dominica has gone quite far in adjusting its economy as well as St Vincent, in particular, with the reogranization of its budget. What we don't want is to undertake measures which would increase unemployment, Dr Lewis explained.

He said many countries were trying to see how they can get finance and on a concessional basis to implement structural adjustment measures.

The OECS is also hoping to settle the question of funding for the establishemn of the OECS export development authority. The money is expected to come from the funds allocated for regional projects under the Lome Three convention, the trade an aid pact between the African, Caribbean, and Pacific states and the European Community.

We are particularly concerned with establishing the level of infrastructure that is present in many of the more developed countries. We intend to have an effective export development structure as soon as the funds are available and we see no conflict with a wider Caricom export facility, as our emphasis will be on agro-industry, he said.

BAHAMAS

PRIME MINISTER'S PARTY WINS BY-ELECTION

FL011400 Bonaire Trans World Radio in English 1130 GMT 1 Jul 86

[Text] Prime Minsiter Lyndon Pindling's party has won a legislative by-election in the first electoral challenge to that party since official reports linked his government to drug trafficking and corruption.

In the Bahamas, the election was widely thought to represent a test f Mr Pindling's popularity, following a 1984 commission of inquiry report that linked him and several ministers and official to drug-trafficking and inlfuence-peddling charges.

DOMINICA

IMF NEGOTIATIONS BEGIN FOR $3-MILLION LOAN

FL280044 Bridgetown CANA in English 2119 GMT 27 Jun 86

[Excerpt] Roseau, Dominica, June 27 CANA -- Dominica has begun negotiations with the International Monetary Fund (IMF) for a U.S. 3 million dollar loan to shore up the island's economy. Prime Minister Eugenia Charles announced the commencement of talks with the IMF just before leaving for a two-nation European tour that would take her to Britain and Belgium. On her way back home, she is heading for Guyana and the Caribbean Community (Caricom) summit.

Missions from the IMF, and the associated World Bank have already visited Dominica to discuss the three-year IMF support programme with government officials. Directors of the IMF were expected to consider the application shortly. Charles gave few details of the terms of the loan, but said she was certain they would be easier than the usual IMF programmes.

JAMACIA

SEAGA SAYS POLLS SHOW SWING IN JLP FAVOR

FL301618 Bridgetown CANA in English 1935 GMT 29 Jun 86

[Text] Port-of-Spain, June 29, CANA -- The latest Jamaican budget and government's handling of the recent rains that left more than 50 dead are among the factors which Prime Minister Edward Seaga believes have led to a definite swing in favour of government in opinion polls.

Seaga, in an interview with THE EXPRESS newspaper's managing director Ken Gordon, said that the most recent poll taken the day after his budget presentation had shown the gap closing by four points and that another poll taken since then, on a highly scientific basis, and shown a further substantial closing of the gap.

Now we are looking at a situation where the gap could be closed by election day, said Seaga, who is yet to set a date for the election.

There is a definite swing going in favour of the government at the present time, arising out of the budget which we presented, reductions in prices which have taken place since then, the calm and efficient ... and organised way in which we have handled this huge crisis and natural disaster that the country has ever faced, and a number of other factors, and that swing is moving in and narrowing that gap very rapidly.

Seaga said that he did not wish to say publicly what was the extent of the gap in the new poll because he was saving it for a particular occasion.

Despite recent severe flooding in Jamaica, Seaga was optimistic about the country's economy.

The rains, lasting several days, caused damage estimated at 400 million Jamaican dollars. Seaga said if not backed up by multilateral and bilateral agency assistance, this could eat away the 200 million dollars set aside for the country's road improvement fund.

The original plan, Seaga said, was to do 600-odd miles of road improvements.

The flood rains could affect us very substantially because it would pre-empt the resources, a lot of the resources, that we had set aside for specific targets, especially in the area of infrastructure, said Seaga.

Seaga said that there was the beginning of a recovery in the bauxite and aluminum industries and for the country's exports.

Jamaica's three-year approach to planning, said Seaga, now allowed it to be able to service its debts by firstly reducing the fiscal deficit, reducing the level of new borrowings as a percentage of the Gross Domestic Product (GDP) and turning its attention to the country's pressing problems.

The light has certainly grown brighter, Seaga told his interviewer.

ST VINCENT

U.S. FISHING VESSELS' CAPTAINS RELEASED

FL020048 Bridgetown Cana in English 2321 GMT 1 Jul 86

[Text] Kingstown, St Vincent, July 1, CANA -- The captains of three American fishing vessels were released from prison today, after their employers came up with bail amounting to U.S. 5,000 for each of the men.

Harry Burgess, Michael Traynhan and Colin Baldwin were remanded in custody on EC200,000 dollar (one EC dollar; 37 cents U.S.) bail, after pleading not guilty to illegal fishing and fishing related activities in the waters of St Vincent and the Grenadines.

Today, Senior Magistrate Oswald Jack, who had originally set the bail, reduced it and the captains, who spent 19 days in prison here, were freed pending hearing into the charges on July 9. The grant of bail followed discussions here at the weekend between Prime Minister James Mitchell and charge d'affaires at the U.S. Embassy in Barbados, Michael Carpenter. Details of the discussions have not been made public, but legal sources here said an out of court settlement could be reached as a result of the weekend talks.

TRINIDAD-TOBAGO

PPM PRESENTS SLATE OF ELECTION CANDIDATES

FL271920 Bridgetown CANA in English 1836 GMT 27 Jun 86

[Text] Port of Spain, Trinidad, June 27, CANA -- The leftwing Peoples Popular Movement (PPM) today presented its first six candidates to contest the next general elections here and gave highlights of its election platform. Party leader Michael Als presented the candidates at a news conference and announced that he himself will contest a South Trinidad seat currently held by Errol Mahabir, the foreign minister. Als said that additional candidates will be announced in the future, but reiterated that his party will only contest the 26 constituencies currently held by the ruling Peoples National Movement (PNM).

This means the PPM will not be fielding candidates in the ten seats held by the opposition which earlier this year joined forces to form the National Alliance for Reconstruction (NAR). The PPM is not part of the alliance.

Aspects of the PPM's programme released today reflected a mildly socialistic approach, with reforms promised in banking and finance, as well as land reform to bolster production. Als predicted a shock for the PNM, basing his prediction on feedback from the people which, he said, the PPM had obtained in surveys it has been conducting in various parts of the country.

On banking, the PPM proposed establishment of a single national bank to replace separate banking interests in the country. Part foreign ownership is proposed. Party vice president Wade Mark said this grouping of the banks under a single national umbrella was essential if they are to play a dynamic role in the country's development.

The PPM also called for a rescheduling of loans to keep businesses solvent, and a stabilisation of interest rates, especially for agriculture and industry. The party saw the need for a special court to deal with drug offenders, corruption, and the abuse of women and children.

Its land policy will be based on a land reform programme that it said would put under-used state and corporate land into the hands of the people for agriculture and housing. But despite the socialist flavour of its programme, the PPM said that foreign investment must remain in a mixed economy. It said foreign investment that is beneficial to the people of Trinidad and Tobago should be promoted.

TWO HIGH-RANKING MILITARY OFFICERS RESIGN

FL011837 Bridgetown CANA in English 1830 GMT 1 Jul 86

[Text] Paramaribo, Suriname, July 1, CANA-REUTER -- Two high-ranking army officers have resigned their posts in Suriname's left-leaning military government, headed by Lieutenant-Colonel Desi Bouterse. The two officers, Commanders Artie Gorre and Paul Bhagwandas, appeared alongside Bouterse when he announced their resignation in a statement to reporters.

Bouterse said that after much reflection the two had asked to be relieved of their posts in the military authority which, along with the cabinet, constitutes the government of this Dutch-speaking South American republic. He said the two officers had dedicated themselves to realizing the objectives of the revolution and to protecting its achievements, but they consider the time now ripe to be of service to the developments in another way.

Bouterse, a former Army sergeant, seized power in a coup on February 25, 1980, along with a group of non-commissioned military officers. His government, which has generally followed socialist policies, has changed seven times since then, while dealing violently with the political opposition

ARRON REPORTEDLY TO JOIN NEW GOVERNMENT

FL261732 Bridgetown CANA in English 1655 GMT 26 Jun 86

[Text] Paramaribo, Suriname, June 26 CANA -- Five years after being ousted in an Army coup, former Prime Minister Henk Arron appears set to join a new government to be sponsored by ruling military authorities here. Arron is one of three political leaders who have been engaged in deliberations of the Supreme Consultative Organ [SCO] -- Suriname's highest political authority mandated to spearhead reform of the country's political, administrative, financial, economic and social orders. The body is composed of representatives of the military, business and labour.

Two other political party leaders, beside Arron, have also been involved in discussions of the SCO. They are Jaggernath Lachmon of the United Reform Party, and Willy Soemita of the Javanese Farmers Party.

Arron, who was prime minister and leader of the National Party of Suriname, was ousted by a group of junior officers after prolonged negotiations over the formation of a union for military officers collapsed.

Meanwhile, all three poliical leaders have now been given the go ahead from their parties to become full members of the SCO.

Analysts here predict that their full involvement now means they could well be included in a new military-sponsored government which is due to take office in another ten months when the life of the present administration ends.

COLOMBIA

POPE ARRIVES FOR 7-DAY PASTORAL VISIT

PA012057 Madrid EFE in Spanish 2017 GMT 1 Jul 86

[Text] Bogota, 1 Jul (EFE) -- Pope John Paul II arrived today at 1505 (2005 GMT) at "El Dorado" Airport to begin a 7-day pastoral visit to Colombia. The Alitalia Boeing 747 was escorted from the time it entered Colombian airspace by five Colombian Air Force aircraft. President Belisario Betancur, the full government, and ranking church and government officials are awaiting the pontiff at the Bogota airport.

PANAMA

MOLIRENA OFFICIAL'S CAR DESTROYED BY BOMB

PA012128 Panama City EXTRA in Spanish 30 Jun 86 pp 1, 2

[Excerpt] David -- A new criminal attack took place in this city yesterday morning when unidentified individuals threw a bomb at the car belonging to Emilio de Leon, EXTRA correspondent and leader of the opposition Molirena [Nationalist Liberal Republican Movement] party. The car was totally destroyed.

A few minutes before the incident, two individuals were seen in a car near De Leon's home in the San Vicente neighborhood of this city. De Leon said the incident is not surprising because in previous days a self-styled propeace committee formed by PRD [Democratic Revolutionary Party] and PALA [Labor Party] Directors Anares Anzola, Ladys C. de Batista, Carmen C. de Cano, Esther Miranda, Ivan Gonzalez, Felix Navarro, and Eliseo Villarreal issued a communique threatening prominent opposition leaders, among them De Leon.

EXTRA correspondent De Leon was not hurt in the attack. He reiterated that this is not the first time he has been the target of these criminal acts. In the past, G-2 policemen have tried to harm him physically.

VENEZUELA

PRESIDENT APPOINTS NEW DEFENSE MINISTER

PA301734 Caracas Television Service in Spanish 1600 GMT 30 Jun 86

[Text] Today President Jaime Lusinchi swore in the new defense minister, Division General Jose Rafael Cardozo Grimaldi. He will replace Admiral Andres Eduardo Brito Martinez, who is retiring. The new defense minister said that emphasis will be placed on the maintenance of military equipment and that the country's technology will be used as much as possible.

[Begin recording] [Unidentified Reporter] Regarding the border problems and drugs, are you going to deal with this problem differently?

[Cardozo] Yes, I will work in coordination with the other government organizations as well as with security and development organizations to try to minimize problems such as smuggling, subversive activities, and drug trafficking. [end recording]

FBIS DAILY REPORT
CONTENTS

Latin America

Vol VI No 128 3 July 1986

BOLIVIA

- Peasants Protest Tax Reform, Immigration C 1
- COB Issues Communique on Arrest of Peasants C 1
  - Minister Denies Arrests C 1

CHILE

- Reportage on Strike Violence, Demonstrations E 1
  - Four Explosions in Santiago E 1
  - 10 More Bomb Attacks E 1
  - First Death Reported E 2
  - Carabineros Kill Girl E 2
  - Students Reportedly Set Afire E 2
  - 280 Arrested on 1st Day E 3
  - 4 Radio Stations Censored E 3
  - Government Sues Strike Organizers E 4
  - Government: Services Normal E 4
  - Wrapup of Day 1 Events E 5
  - Report on Interior Actions E 6
  - Power Outages Reported E 7
  - Carabineros Disperse Meeeting E 7
  - ANC Press Conference Forbidden E 8
  - ANC Assesses 1st Day E 8
  - Exiled Socialist on Stoppage E 10
- 4 FPMR Members Captured in Chillan; Bomb Seized E 10

COLOMBIA

- Further Reportage on Pope John Paul II Visit F 1
  - Reconciliation Urged F 1
  - Holds Press Conference F 1
  - Vatican Officials Silent on M-19 F 2
- ELN Takes Credit for 5 Bombings in Pereira [EL TIEMPO 27 Jun] F 3
  - Further Details [EL SIGLO 27 Jun] F 3
- FARC Calls U.S. Contra Aid 'Undeclared War' F 4
- Briefs: Ambassador Resigns F 4

PARAGUAY

- Charitas Director Discusses Border Incident [ULTIMA HORA 2 Jul] H 1

PERU

- Soviet Deputy Foreign Minister Arrives J 1
- Government 'Deplores' U.S. Aid to Contras J 1

New Justice Minister Appointed 2 July J 2
Ministry Officials Resign J 2
Garcia Meets With Armed Forces Joint Command J 2
Republican Guard Patrol Reported Missing J 3
Briefs: Record Corn, Sorghum Harvest J 3

MEXICO

GATT Membership To Be Announced on 15 July M 1
Guatemala's Cerezo Arrives, Meets De la Madrid M 1

PANAMA

Abadia Says Contra Aid Approval 'Unfortunate' [MATUTINO 2 Jul] N 1
Gozaine: U.S. Wants To Subjugate Country [LA PRENSA 1 Jul] N 1

CENTRAL AMERICA

COSTA RICA

Vice President Dengo on CACM Reactivation [LA PRENSA LIBRA 24 Jun] P 1

EL SALVADOR

Venceremos Rejects Private Dialogue Proposal P 1

GUATEMALA

Cerezo Holds News Conference Before Mexico Visit P 3
URNG 'Seriously Considering' Meeting With Cerezo [EL GRAFICO 1 Jul] P 5

NICARAGUA

Ministry Warns of KISAN, Misurasata Attacks P 5
CDN Issues Manifesto on Country's 'Crisis' [AFP] P 7
LE MONDE Cites Critics of Sandinist Regime [24 Jun] P 8
ARDE Denies Selling Weapons to Salvadoran Rebels [San Salvador] P 10

CUBA

Almeida Meets With Poland's Jaruzelski Q 1
Havana Views Resumption of Ties With Brazil Q 1
Benavides Appointed Head of EMS Commission Q 2
Correction to Castro Enterprises Speech Q 2
Briefs: USSR Publishing Accord Signed Q 3

CARIBBEAN

Further Reportage on Caricom Leaders' Meeting S 1
  Leaders Report Progress S 1
  Barrow Addresses Conference S 2
  TCF Accepted in Principle S 3
  Montserrat's Osborne on Human Rights S 4
  St Christopher's Simmonds Talks S 4
Envoy to OAS Sworn in as Permanent Council Head S 5

JAMAICA

WPJ Announces Municipal Elections Candidates S 5

ST LUCIA

Pope John Paul II To Pay 7-Hour Visit on 7 July S 6

GUYANA

President Hoyte on Cuba, Central America T 1
[EL NACIONAL 23 Jun]

PEASANTS PROTEST TAX REFORM, IMMIGRATION

PY010255 Paris AFP in Spanish 2322 GMT 30 Jun 86

[Text] La Paz, 30 Jun (AFP) -- Thousands of peasants from the 20 provinces of La Paz Department today staged a demonstration organized by the Single Trade Union of Bolivian Peasant Workers to protest the tax reform of President Victor Paz Estenssoro's administration.

Genaro Flores, the main peasant leader, addressed the protesters and said the peasants clearly oppose the government's economic policy because it intends to subjugate the masses even further.

He and other speakers agreed on the point of opposing the government project to allow the immigration to Bolivia of thousands of Taiwanese farming families, thus endangering the ancestral Bolivian Indian culture.

The demonstrators also protested against the tax law that forces even small property owners, who are undergoing a serious crisis, to pay taxes.

COB ISSUES COMMUNIQUE ON ARREST OF PEASANTS

PY021616 La Paz La Red Panamericana in Spanish 1130 GMT 2 Jul 86

[Text] The Bolivian Labor Confederation [COB] has reported that government authorities detained several peasants during a rally on 30 June.

Inocencio Quispe, Bernardo Gonzalez, Teodoro Colque, Nemecio Massi, Eliseo Quispe, Julian Chambi, Eulogio Quispe, Modesto Choqui, and Daniel Colque are reportedly detained at the Interior Ministry.

The communique released by the COB says the people want to express their opposition to the current policy, and the people will always defend the fatherland's interests. It also expresses support for the position adopted by the Trade Union Federation of Bolivian Pressworkers, which has supported the people's request for a dialogue, one of the sovereign rights of the people. The government has refused to allow this dialogue.

Minister Denies Arrests

PY021926 La Paz Radio Illimani Network in Spanish 1700 GMT 2 Jul 86

[Text] Interior Minister Fernando Barthelemy has denied that the state security organization had detained peasants during the peasants' demonstration on 30 June.

Minister Barthelemy stated at the Government Palace that these rumors had been spread by leaders of the Bolivian Labor Federation and the Single Trade Union Confederation, who are trying to discredit the government. Barthelemy said that these statements were untruthful, and that the allegedly detained peasants had been invited to his office to report on the origin of the resources used in the demonstration carried out on the morning of 30 June.

REPORTAGE ON STRIKE VIOLENCE, DEMONSTRATIONS

Four Explosions in Santiago

PY021140 Paris AFP in Spanish 0423 GMT 2 Jul 86

[Text] Santiago, 1 Jul (AFP) -- Four bomb attacks caused much damage tonight in several sectors of Santiago just a few hours before the start of a national 48-hour strike by those who oppose General Augusto Pinochet's government.

Police sources have reported that one of the attacks took place against a yarrow-processing plant in the district of Maipu. A medium-sized bomb exploded in a factory that produces electrical equipment, causing structural damage to the building and blowing out its windows.

Two bombs exploded in other sectors of Santiago, but did not cause any damage.

The explosions occurred on the eve of the national strike that has been called for by the Civic Assembly to demand a return to democracy and an end to the military regime.

10 More Bomb Attacks

PY021312 Madrid EFE in Spanish 1236 GMT 2 Jul 86

[Text] Santiago, 2 Jul (EFE) -- The 1st day of the planned 48-hour stoppage organized by the opposition to the Chilean military regime began today with 10 explosions, which caused only damage in several parts of Santiago. The city awoke today with slightly tighter military and police viligance than usual and a considerable reduction in the flow of vehicles and public transport.

Press reports have stated that the explosions took place near bank offices, stores, and shops, without causing any casualties. The same sources reported that early this morning several houses in suburban Santiago were raided by groups of plainclothesmen, who arrested at least three people.

The strike, the first in 13 years of military rule, was called by the National Civic Assembly for 2 and 3 July to culminate a month of mobilizations and civil disobedience. The National Civic Assembly, which is made up of 18 of the most important Chilean social organizations, has received the support of all the political forces of the democratic opposition, who want to express their wish for the return of democracy to Chile.

During a call made on the eve of the strike, National Civic Assembly President Juan Luis Gonzalez reiterated that the protest should be peaceful. "We do not advocate, and we will never advocate, any type of violence as a means to regain our rights," said Gonzalez, asking the people to avoid any type of provocation.

Chilean Defense Minister Vice Admiral Patricio Carvajal said in the past few hours that the call for a stoppage is an attack against national interests.

In Concepcion, the country's third largest city, located 500 km south of Santiago, Regional Intendant General Eduardo Ibanez termed the strike "the last fight by the political opposition."

The chief's office of the zone of Valparaiso, the country's main port located 120 km west of Santiago, has warned the citizens "not to let themselves be intimidated by small groups of promoters of violence who seek to disturb public order by calling a stoppage."

First Death Reported

PY021324 Paris AFP in Spanish 1254 GMT 2 Jul 86

[Excerpt] Santiago, 2 Jul (AFP) -- The start of the 48-hour stoppage, called by the opposition to General Augusto Pinochet's regime, has been marked by the killing of one person, the wounding of two people, a dozen bomb attacks, the building of barracades in the suburbs of Santiago, and a scarcity of public transport.

The dead man has been identified as Boris Vera, 24, was hit by several bullets fired by unidentified individuals in La Victoria neighborhood south of Santiago, while he was helping build a barricade in this workers' neighborhood. This information was disclosed to AFP by witnesses of the incident.

Carabineros Kill Girl

PY022119 Santiago Domestic Service in Spanish 1700 GMT 2 Jul 86

[Excepts] According to witnesses, a 13-year-old girl was shot twice and killed by police this morning in Los Copihues neighborhood of the La Florida district in Santiago. The girl, identified as Nadia Fuentes Concha, left her house at about 1000 today to buy bread in a nearby shop. When crossing Del Parque Avenue on her way to the bakery, she was shot in the stomach and leg by police members who had just arrived, a witness said.

In a reaction of anger, neighbors set up and burned barricades on La Florida and El Parque Avenues. Three patrols and two busloads of Carabineros responded by throwing tear gas grenades at the neighbors. The atmosphere remains tense with the presence of Carabineros who, according to witnesses, proceeded to arrest some of the people there.

Students Reportedly Set Afire

PY021746 Madrid EFE in Spanish 1615 GMT 2 Jul 86

[Text] Santiago, 2 Jul (EFE) -- The secretary of the Chilean Human Rights Commission has told EFE that in Santiago two students have been sprayed with fuel and then set on fire by several members of the military. Andres Dominguez also stated that the two youths were wrapped in blankets after being burned and detained. Their whereabouts are not known

The incident occurred on the General Velasquez Avenue in western Santiago, in the Jesus Obrero Parish. The youths have been identified as Rodrigo Rojas de Negri, 19, and Carmen Quintana Arancibia, 18. The priest also told EFE that the parish has the burnt coat of one of the victims as proof of the incident.

280 Arrested on 1st Day

PY030242 Paris AFP in Spanish 0048 GMT 3 Jul 86

[Text] Santiago, 2 Jul (AFP) -- Police sources have reported that at least 280 people have been arrested today in Santiago and Concepcion during the 1st day of the 2-day stoppage that has been called by the National Civic Assembly to demand the restoration of democracy.

Three people were shot to death early today. Two strong explosions were heard downtown in the evening, and a blackout occurred in the residential neighborhoods in the east zone as the result of technical problems, according to authorities.

Demonstrators who were building barricades and shouting slogans against the Pinochet government at other sites in Santiago were repressed by police and military patrols.

According to a police report, 200 people were arrested in Santiago for disburbing public order and endangering the state's internal security. In Concepcion, 525 km to the south, 80 people were arrested during incidents that were prompted mainly by students.

4 Radio Stations Censored

PY022223 Santiago Radio Chilena in Spanish 2131 GMT 2 Jul 86

[Text] [Announcer] Radio Chilena director Guillermo Hormazabal will now address our listeners.

[Hormazabal] We will now read the text of Communique 46, which the office of the chief of the metropolitan region and San Antonio Province issued a few minutes ago.

In consideration of a) the Constitution; b) Law 18415; c) Decree 684, issued by the Interior Ministry on 9 June 1986 and published in the Gazetter on 12 June 1986, and d) Decree 5985, issued by the Interior Ministry on 11 June 1986 and published in the gazetter on 12 June 1986;

Whereas Radios Chilena, Cooperativa, Carrera, and Santiago have not complied with the terms of Decree 5985, as their newscasts have included reports on actions classified as terrorist activities and as activities of people, organizations, movements, and groups that advocate doctrines that are opposed to our social order, thus promoting violence against the population and against private and public property with the open objective of disrupting the inststitutional order;

In consideration of the powers bestowed upon the chief of this emergency zone, I hereby decree: As of today, and while this order remains in force, the transmissions of Radio Chilena CB66, Radio Cooperativa, Radio Carrera, and Radio Santiago shall be restricted and shall include only commercials, music, and government-supplied information. The four radios shall not read the text of this edict more than twice a day.

The communique is signed by Brigadier General Carlos Ojeda Vargas, chief of the emergency zone of the metropolitan region and San Antonio province. Santiago, 2 July 1986.

In view of this measure, Radio Chilena states the following:

1) As usual, Radio Chilena today impartially and accurately reported on the events that are occurring in our country;

2) Radio Chilena deplores and rejects this measure, which curtails freedom of information. Radio Chilena will take action before the courts to safeguard the right to freely inform the Chilean public;

3) We apologize to our listeners, because as of this moment we will be unable to inform them on what is happening in Chilean territory. Good night.

Government Sues Strike Organizers

PY030147 Paris AFP in Spanish 2313 GMT 2 Jul 86

[Text] Santiago, 2 Jul (AFP) -- It has been offficially announced that the Chilean military Government tonight filed suit against the leaders who organized the 2-day national stoppage, which opposition organizations started today. The suit is being brought against the leaders of the National Civic Assembly which is led by Dr Juan Luis Gonzalez.

The Interior Ministry lawyer, Ambrosio Rodriguez, said that the suit was filed for crimes that are defined under the Law on the State's Internal Security, such as the calling of a national stoppage and promoting doctrines that endanger the regime's security. The government backed the allegations it made in the suit with documents referring to the number of dead and wounded, and the damage that has been done to private and public property during the first day of the stoppage.

Government: Services Normal

PY030120 Paris AFP in Spanish 2247 GMT 2 Jul 86

[Text] Santiago, 2 Jul (AFP) -- Vital services as well as port and cooper mine activities were not affected during the 1st day of the 2-day strike that has been called by opposition organizations, government sources reported.

The authorities also reported that banks and financial institutions operated normally, but admitted that problems were created by the lack of public transportation, which caused absenteeism in the industries.

In Santiago, most commercial establishments closed their doors and the hospitals provided services with emergency crews, because more than 70 percent of physicians observed the strike, according to leaders of the medical profession.

In Valparaiso, the main Chilean port on the Pacific, located 140 km west of Santiago, the loading and unloading of ships went on as usual, a spokesman for the Regional Intendency reported.

The State Copper Corporation, which administers the country's main source of earnings, reported that the miners worked as usual in the mines of Chuquicamata, El Salvador, La Andina, and El Teniente.

Electricity, water, railroad, and airport services were normal, Labor Ministry sources reported.

Wrapup of Day 1 Events

PY021548 Paris AFP in Spanish 1425 GMT 2 Jul 86

[Text] Santiago, 2 Jul (AFP) -- Two dead, many detainees, a wave of bombings, and an almost total absence of urban transport today marked the beginning of the national 48-hour strike in Santiago organized by the unions opposed to the government of General Augusto Pinochet.

Catholic Church sources have reported that accountant Boris Vera, 24, was shot dead by unidentified people when antigovernment demonstrators were erecting barricades in the zone of La Victoria in the southern part of Santiago, and Ivan Aqueveque, 21, a laborer, was also shot dead in the Cerro Navia neighborhood.

Neighborhood leaders have reported that police agents detained several persons during the demonstrations and the raids on homes conducted in those neighborhoods.

Reports from the Army and police patrols deployed in different parts of Santiago, which has 4 million inhabitants, say that since early this morning, regular activities have been disrupted because of the bombings, some of which affected industrial installations.

There was very little activity this morning in downtown Santiago, with some businesses closed. Groups of workers were stopped on the outskirts of the city, and have been unable to reach their places of work.

The subway service, which is being guarded by soldiers, has been operating normally. However, the other means of transportation have not operated and some buses which tried to operate were stoned or had their tires damaged by tire-puncturing devices thrown on the streets by demonstrators.

Truck owners, businessmen, professional associations, students, and trade unions that make up the National Workers Command, together with other trade union organizations appear to be united, supporting the 48-hour stoppage sponsored by the National Civic Assembly to demand that democracy be restored. National Civic Assembly President Dr Juan Luis Gonzalez, who claims that his organization represents 4 million workers, that is, one-third of the Chilean population, has stated: We want to test our strength and learn how many we are.

National Defense Minister Vice Admiral Patricio Carvajal has stated that the Armed Forces will cooperate with the police to safeguard order and protect certain public services against possible terrorist attacks.

No clandestine organization has yet claimed responsibility for the recent bombings, which are similar to recent attacks claimed by the leftist FPMR [Manual Rodriguez Patriotic Front] organization. In communiques issued yesterday, the FPMR denied that the two women and one man who died during a police raid on 1 July belong to this organization as claimed by the Chilean authorities. They said the stoppage will have a decisive role in the struggle to end repression.

The proscribed MIR (Movement of the Revolutionary Left) has stated that this mobilization should become a vigorous and combative experience of organization and struggle (...) in the difficult path that will lead to liberty and justice for all.

The Leftist Popular Democratic Movement (MDP), which is headed by the Communist Party, made a similar statement while the Christian Democratic party and other moderate forces that belong to the Democratic Alliance voiced their support for the protest, within a framework of peaceful actions and civic disobedience.

The Catholic Church, through its solidarity vicar, Msgr Santiago Tapia, also urged Chileans to reject violence, but voiced its support for the right to disagree because the peoples' opinion must be heard.

Report on Interior Actions

PY030108 [Editorial Report] Santiago Radio Chilena in Spanish carries in its 1700 GMT newscast on 2 July relays from the cities of Arica, Valdivia, Temuco, and Punta Arenas, reporting on the 1st day of national stoppage and mobilization organized by the National Civic Assembly.

A relay from Radio Capisima FM of Arica reports: "Business was nearly normal by noon" downtown, however, the movement of people was "less than on normal work days. Medical doctors, midwives, other professionals and students followed the mobilization organized by the National Civic Assembly." It adds that "military patrols were intensified and police are patrolling with their faces painted black, not only in the suburbs but downtown as well. The only serious incident registered, apart from the bus burned last night by unidentified criminals, was that in which a bus was attacked by unidentifed individuals," who threw rocks at it.

A relay from Radio Los Torreones FM of Valdivia reports that "nearly all public transportation was paralyzed today. High absenteeism was reported in schools." It adds that "80 percent of the Austral University teachers did not show up to work, while the students, who have been on strike for a month, blocked the main entrances to the [name indistinct] campus during the night. The Carabineros managed to convince the students to give up in the face of an imminent take over by the public force. By noon crowds gathered in the plaza to sing the national anthem, as scheduled. So far, various professional associations such as midwives, nurses, medical doctors, drivers, students and other labor sectors, have expressed their support of the National Civic Assembly mobilization."

A relay from Radio Nelol of Temuco reports that "incidents were reported today in the Anibal Pinto square when a large group of Carabineros started dispersing protesters with tear gas." It also adds that: "Police arrested lawyer Rene Santirio Espinoza, Christian Democrat Party president, despite protests raised by National Civic Assembly representatives and by university teacher associations. Santirio was taken to the Second Police Precinct and placed under arrest. The downtown streets of Temuco are guarded by a large troop of Carabineros to prevent looting, therefore many stores closed. Public transportation is minimal and there are few people in the streets." The reporter then continues: "Unfortunately, La Voz de la Costa De Osorno radio station, member of the National Radio System is forbidden from reporting any news about the National Civic Assembly stoppage today according to a message it received in its studios."

Another relay from Radio President Ibanez of Punta Arenas says: "The Magallanes National Civic Assembly mobilization has nearly paralyzed Punta Arenas. There has been little traffic since early this morning. People had to walk to work. According to public transportation authorities, only 10 percent of the buses worked today in this city. A press conference was held in the office of the regional intendant and the different regional secretaries reported on the effects of the first day of stoppage. The labor secretary, for example, said that no workers showed up today in some public works thus leaving them completely paralyzed. In the health area it was reported that, even though doctors showed up in the regional hospital, they did not have much work because no patients turned up.

In the education area, it was reported that nearly 90 percent of students were absent in private schools while only 50 percent were absent in public schools. The Magallanes National Civic Assembly president Carlos (Smock) claimed that the stoppage was successful because businesses closed their doors and the public did not go out to buy anything. However, regional intendent Major General Luis (Danus) said that the stoppage was not as successful as its organizers expected it to be. He said that many people did not go to work and many students did not go to school on account of the intimidating campaign carried out on the previous days, which, he qualified as a very anti-democratic attitude. Whatever the reasons, Punta Arenas is today a nearly motionless, lifeless city. A contributing factor could be the heavy snow which makes people choose to stay home."

Power Outages Reported

PY030238 Paris AFP in Spanish 0147 GMT 3 Jul 86

[Text] Santiago, 2 Jul (AFP) -- A partial outage this evening blacked out several sectors of Santiago, Copiapo, Coquimbo, Valparaiso, and Vina del Mar at the end of the first day of the 48-hour strike decreed by sectors that oppose the government of General Augusto Pinochet. The outage, which began after strong blasts shook several areas in Santiago, included the parade ground and the metropolitan cathedral. The Civico neighborhood was not affected.

In Santiago, the following areas have been without electric power for several minutes: San Miguel, La Cisterna, Conchali, Recoleta, Las Condes, Providencia, Maipu, La Florida, and the densely populated sectors of Lo Hermida, Lo Arrieta, and the La Victoria, La Legua, and La Faena neighborhoods.

In Valparaiso and Vina del Mar, 140 km west of Santiago, the outage lasted 8 minutes, while in Copiapo and Coquimbo, in northern Chile, the power was quickly restored, according to radio reports.

Carabineros Disperse Meeting

PY021826 Santiago Radio Chilena in Spanish 1700 GMT 2 Jul 86

[Excerpt] A rally called by the National Civic Assembly [ANC] at the Plaza Armas has ended with an unspecified number of people being arrested. The majority of the leaders of the national professional associations and union organizations gathered at the plaza, at about 1200 to sing the national anthem. The rally, in downtown Santiago, was repressed by a greater number of Carabineros.

Shortly before 1200, to be precise at 1135, Carabineros started to disperse the demonstrators. A water cannon called a Huascar, another smaller water cannon called a Guanaco, and five armed vehicles equipped with tear gas launchers known as Zorrillos were also present at the scene. They began to squirt water and disperse tear gas at the pedestrians, who fled in terror while the sirens of the police vehicles could be heard in the background. The Carabineros then began to arrest suspects and put them in police cars parked near the Plaza de Armas on Estado street.

Despite this, the ANC council held a meeting at the Plaza de Armas to sing the national anthem as scheduled. When everything seemed to be going well, however, the Carabineros hurled tear gas cannisters at the union leaders and journalists who were present.

As the people moved along O'Higgins Boulevard, and then Estado Street to the Plaza de Armas, they met a strong police contingent made up of a special task force and a Carabineros special-operations group, which disrupted the demonstration.

ANC Press Conference Forbidden

PY030256 Santiago Domestic Service in Spanish 2300 GMT 2 Jul 86

[Excerpts] While citizens lament the deaths that occurred after the irresponsible appeal for a national paralyzation, the National Civic Assembly tried to hold a press conference in the elegant and exclusive Sheraton Hotel in this capital. However, regulations issued by the chief of the emergency zone of Metropolitan region and San Antonio Province forbade the press conference planned by the political sectors that had organized the so-called mobilizations. The organizers were informed of the decision by the administration of the San Cristobal Sheraton Hotel, who had been advised by the 19th police precinct personnel.

In view of this prohibition, the members of the so-called National Civic Assembly left the hotel and chose to give the press conference in the headquarters of the dentists association. During the press conference they insisted on their worn out political slogans calling on the population to follow their (?proposals) in an absolutely irresponsible manner.

While the National Civic Assembly leadership yells, it does not assume responsibility for the consequences of its initiatives which only bring death and destruction to public and private property. In the same manner as they proclaimed themselves leaders of democracy, they have also refused to accept the position of several other national sectors which did not support their appeal for paralyzation of activities.

The only support received by the National Civic Assembly comes from minority groups of social misfits and promoters of violence who hurl rocks at people as well as against public and private vehicles. This is the only way they know to exert pressure to impose their ideas and intimidate the citizenry who has repeatedly repudiated them. The National Civic Assembly does not recognize the authorities or police and military forces which have had to go to the streets to control the looters and terrorists who tried to disturb the peaceful coexistence of Chileans.

However, the self-proclaimed leaders of National Civic Assembly, were unable to provide an objective explanation for the death of innocent people. On the contrary, they continue to demonstrate that they are really not willing to assume their responsibilities and prevent more deaths.

ANC Assesses 1st Day

PY030313 Madrid EFE in Spanish 0012 GMT 3 Jul 86

[By Luis S. Saavedra]

[Text] Santiago, 2 Jul (EFE) -- President Dr Juan Luis Gonzalez, has affirmed that "the widest range and majority of Chilean sectors stopped their activities during the 1st day of the general strike to show their repudiation of the dictatorship that enthralls us."

Asked about the suit the government has filed against the ANC leaders, Dr Gonzalez said "we are willing to appear in court whenever we are summoned, because we have acted in good conscience, for peace, and furthermore we acted within the existing norms."

Commenting on the 1st day of the stoppage, the ANC president said that "we are satisfied and proud, filled with hope and faith." Doctor Gonzalez repeated the request that "Chileans go home as the night falls and not let themselves be provoked, because we want to demonstrate from the start that we are capable of governing the country and institute a reasonable peace."

At a press conference held at the headquarters of the dentists association the ANC president said that "we have painfully seen once more how the repression acted against our people, killing two shantytown dwellers and a small 13-year-old girl who innocently was on her way to buy bread." Dr Gonzalez said that "once again we have been witnesses to and victims of the Carabineros' disproportionate and aggressive conduct, and we have seen how the security services of the dictatorship, protected by impunity, searched houses and arrest citizens and leaders."

The president of the National Workers Command (CNT), Rodolfo Seguel, told EFE that the strike among the workers was 90 percent effective. According to him, the workers complied with the instructions from their leaders and with their action, they denied what some ministers of the dictatorship are saying about them." [quotation marks as received]

Speaking about the fact that eyewitnesses of the three deaths that took place today stated that military personnel were involved, Gonzalez indicated that "reason must prevail, we cannot continue dividing the country into friends and enemies, nor can we continue killing each other because the Armed Forces cannot use the weapons they have received for other purposes in this fratricidal struggle."

Asked about the ban levied on the newscast of opposition radio stations, Gonzalez described it as "another example of what we call institutionalized violence." The Chilean military government today ordered the radio stations "Carrera," "Chilena," "Cooperativa," and "Santiago," which had been broadcasting information on the development of the general strike, to cease transmitting anything except music, commercials, and official information.

Gonzalez, who is also the president of the influential Federation of Chilean Professional Associations, reiterated "our call upon the Armed Forces to avoid being involved in the repression and to put an end to the fratricidal struggle which is decimating our people." Gonzalez added that "the success of this first day of strike gives us renewed strength for our peaceful struggle and for the civil disobedience of the dictatorship." He went on to say that "neither siege, threats, nor any other type of repression will stop the ANC. It will not prevent all of us together from showing today and tomorrow that our quest for democracy is inalienable."

Asked about the prospects of the ANC, its president said that "our campaign that is necessary and basically peaceful will end when democracy is restored."

On behalf of the organizations that have called the strike, Gonzalez said that he was "deeply moved by the letters and telegrams of support that have arrived from abroad, and especially by the actions of solidarity with our movement which are taking place in several capitals and cities throughout the world."

Exiled Socialist on Stoppage

PY022136 Madrid EFE in Spanish 1437 GMT 2 Jul 86

[Text] East Berlin, 2 Jul (EFE) -- Clodomiro Almeyda, Secretary General of the Chilean Socialist Party, has told EFE that the social mobilization taking place in Chile "is historic and decisive for the fall of the military regime and the establishment of a popular and democratic government." Talking about today's and tomorrow's national protest, Almeyda, who lives in exile in East Berlin, said that "the most important factors in Chile's political reality at this time are the mass mobilization and the creation of the ANC." He added that the ANC stands for the aspirations of the Chilean people who, through this organization, have opened an alternative for a democratic government in Chile, with the participation of all the sectors that want to bring about a change.

Almeyda, who was foreign minister under the government of Salvador Allende, affirmed that his party and the Popular Democratic Movement fully support "this important fact of the Chilean people's political and social unity." He affirmed that the Chileans have decided that this year "will be decisive for the regime's downfall, whether because Pinochet will be toppled in 1986 or because there will be an important coalescence of forces to produce a change in Chile, either this year or next."

The socialist politician said that Pinochet "is more isolated every day, although he can still count on the Armed Forces which he controls." But, he added, "the Armed Forces cannot remain blind, they must see that the dictator is leading them to an abyss."

4 FPMR MEMBERS CAPTURED IN CHILLAN; BOMB SEIZED

PY030139 Santiago Domestic Service in Spanish 2300 GMT 2 Jul 86

[Text] Four terrorists were arrested in Chillan as they carried a bomb. Eight region authorities have reported that four members of the Manuel Rodriguez Patriotic Front [FPMR] were captured in downtown Chillan as they carried a bomb past National Intelligence Center [CNI] members. Their names are: Gerardo Enrique Angulo Pizarro, reportedly chief of the group, Humberto Hugo Contreras Bobadilla, Luis Eduardo (Velazquez) Sepulveda, and Roberto (John) Angulo Pizarro. According to an official communique, the four individuals were arrested in downtown Chillan.

Afterward, CNI agents raided Gerardo Enrique Angulo Pizarro's home and found a large quantity of subversive reading material, maps and explosive components. It was also discovered that the group had intimidated Chillan businessmen, through written messages, forcing them to follow their orders.

The four arrested individuals were placed at the disposal of the military prosecutor, and are accused of violating the weapon and explosives control law.

FURTHER REPORTAGE ON POPE JOHN PAUL II VISIT

Reconciliation Urged

PA021615 Bogota Television Service in Spanish 1448 GMT 2 Jul 86

[Speech by Pope John Paul II at Simon Bolivar Park in Bogota -- live]

[Excerpts] I know that there have been generous initiatives aimed at promoting dialogue and harmony to achieve stable peace. In this regard I can do no less than to encourage all Colombians, without exception, to march tirelessly on roads to peace because peace is a human task but it is, basically, a gift of God.

Work aimed only at achieving limited human projects of peace would lead to failure and disappointment.

To be able to achieve the huge task of securing peace there must be pardon and reconciliation. This is a first step I am sure all of you will take: To remove from your mind any residue of rancor or resentment.

The years of violence have produced personal and social wounds that must heal. Violence, which destroys so many innocent lives, has its origin in the heart of man.

Unfortunately, in today's world many men have allowed themselves to be seduced by the temptation of armed violence, and in many places have resorted to the senseless extreme of terrorism, which leave behind only destruction and death.

From this city of Bogota, I vehemently appeal to those who remain on the guerrilla road, perhaps having ideals of justice, to use their energy...[applause] on constructive work and on reconciliation to truly contribute to the country's progress. I urge you to put an end to the destruction and death of so many innocent people in the countryside and in the cities. [applause]

Holds Press Conference

PA021344 Bogota Emisoras CARACOL Network in Spanish 1227 GMT 2 Jul 86

[Excerpts] Pope John Paul II has said that he will not meet with the FARC guerrillas in the mountains, because, among other reasons, he does not know if he will find them there. Putting an end to the various speculations [words indistinct] meeting in Uribe with the high command of that guerrilla group. The pope added that the Vatican's Secretariat of State replied in writing to an M-19 message but he refused to comment on the topic. He said that the church as such is [words indistinct] not a party when he was asked what could be done to mediate between the government and the guerrilla groups.

He referred to the new administration of Virgilio Barco and he said that [words indistinct] to resolve the difficulties and problems and to increase social justice with the necessary reforms without [words indistinct].

[Word indistinct] the pope replied to many questions from (?75) journalists traveling on the papal airplane [words indistinct] generous words for the Latin American peoples. The church can work with energy, responsibility, and [words indistinct], the pope said.

The pope reiterated his role as pastor in favor of the self-determination of peoples to find harmonious development to achieve social justice and common good. In a news conference on the papal plane, the holy father held a broad and open dialogue with the press accompanying him. CARACOL was there. The pope had cordial words for the special correspondent of CARACOL, and he said that he wanted to establish contact with the Colombian Government and people in order to understand them so as not to make hasty judgments. He condemned violence which leaves many victims and desolation.

The pope left open the possibility of traveling to Cuba. He said that he would like to go everywhere [words indistinct] but this depends on the Cuban church. Asked about the topic by the journalists aboard the Alitalia plane that brought him to Bogota, the pope said that in respect towards collegiality, he never imposes his visits, but he added, I can help.

[Words indistinct] and the Soviet Union which were the object of two meetings in the Vatican, the pope said that two things are expected from those countries: that the church be able to fulfill its mission following its principles and that the freedom of all the believers be respected. When asked whether he would meet with Soviet Leader Mikhail Gorbachev, the pope replied: perhaps.

Vatican Officials Silent on M-19

PA021620 Hamburg DPA in Spanish 1505 GMT 2 Jul 86

[Text] Bogota, 2 Jul (DPA) -- Top Vatican officials accompanying Pope John Paul II on his current tour of Colombia remained silent today with regard to contacts between the Vatican and the clandestine Colombian guerrilla organization M-19.

Political sources said that in these contacts the pope may have called for negotiations between the Colombian Government and the M-19 in search for peace agreements.

In this regard, an M-19 envoy is said to have handed a special message to the Vatican state secretariat in Rome. No more information has been given out on the matter.

Asked by the press in Bogota today, about this matter the Vatican Secretary of State Cardinal Agostino Casaroli avoided giving a definite reply. However he did say that the contacts took place and that more information would be given at another time.

It is still unknown if the message answering the M-19 came from the pope or from the Vatican. Last November the M-19 carried out a bloody attack on the Justice Palace in which 95 persons were killed.

The M-19 guerrillas, who promised they would not carry out any attacks during the pope's visit, are presently in action in the mountain regions of the departments of Cauca and Valle in southwest Colombia.

ELN TAKES CREDIT FOR 5 BOMBINGS IN PEREIRA

PA030342 Bogota EL TIEMPO in Spanish 27 Jun 86 p 2-A

[yY Martin Alonso Parra]

[Text] Pereira -- Five bombs of moderate power exploded last night in various parts of town, including the offices of the national Navy, retired officers association, and "Pereira Airlines," causing property damage close to $300,000.

The "Omaira Montoya" commando of the National Liberation Army (ELN) claimed responsibility for the actions in telephone calls made to several local radio stations. Meanwhile, the authorities reported that the situation is completely under control and that the explosions caused no personal injuries.

The bombs, some hurled from moving cars, damaged windows and doors at the offices of the Assocation of Retired Military Personnel (Asomir) and the headquarters of the national Navy on 5th Avenue and 15th Street, at a home adjacent to the Boston neighborhood police station, and at the offices of "Pereira Airlines" on 7th Avenue and 39th Street. The other two bombs exploded on 30 August Avenue and 38th Street in the Olympic Villa area, and in the patio of a home on 35th Street.

This wave of terror has prompted the authorities to adopt special security measures in the city's most important areas.

Further Details

PA020459 Bogota EL SIGLO in Spanish 27 Jun 86 p 1

[Text] Pereira (Editing Room) [dateline as published] -- The self-styled America Battalion claimed responsibility yesterday for the wave of terrorist actions that shook the cities of Pereira and Calarca early in the morning, causing property damage, but no injuries.

The National Police reported that supposed guerrillas of the Castroite National Liberation Army (ELN) and of the Ecuadoran Alfaro Lives movement claimed responsibility for the attacks against military intallations, a police substation, a Mormon Church, and the Adventist Church in Calarca.

The ELN and the Alfaro Lives group -- members of the self-styled America Battalion, set off bombs in the National Navy's recruitment office and the Association of Retired Military personnel, a police substation, and U.S. churches in Pereira and Calarca.

The explosions caused panic, but no injuries among the population, authorities reported.

The actions resulted in costly property damage to the installations mentioned. The security institutions and National Police have not reported any arrests in connection with these subversive actions which are being carefully analyzed by the authorities.

The Army and the police, as well as the Administrative Department of Security, DAS, and the F-2 have increased security measures following the terrorist actions in order to prevent new actions by that subversive organization.

Local authorities have reported that the public order in the department is currently under control and that the presence of the so-called American Battalion in Risaralda is being investigated.

FARC CALLS U.S. CONTRA AID "UNDECLARED WAR'

PA021351 Paris AFP in Spanish 0149 GMT 2 Jul 86

[Text] Bogota, 1 Jul (AFP) -- Today the FARC Colombian communist guerrillas rejected U.S. economic aid to the contras in Nicaragua.

This group, which handed AFP a statement to this effect, at present is adhering to a cease-fire with President Belisario Betancur's government and has stated its intention of becoming legal.

FARC, through its political arm, the Patriotic Union, took part in the legislative elections in March and in the May presidential electons.

After describing the contras as "counterrevolutionary gangs in Nicaragua," FARC says that approval of the $100 million which Reagan got as aid represents "an undeclared war."

Backed by the legal Communist Party of Colombia, FARC, the oldest and largest guerrilla group in this South American country, accuses Reagan and his government of ridiculing the United Nations.

The statement, handed to AFP in Bogota as Pope John Paul II was arriving in the country, says that "with a fascist mentality Reagan wants to bury with a war what it is impossible for him to do with intelligence and ideas."

FARC rejects and condemns what they describe as "shameless intervention," and invite participation in a widespread international movement of the masses to support Sandinst Nicaragua and defend peace, liberty, and social progress.

BRIEFS

AMBASSADOR RESIGNS -- Colombian Ambassador to Britain Bernardo Ramirez has presented his resignation effective 1 August. [Summary] [Bogota EL TIEMPO in Spanish 26 Jun 86 p 6A PA]

CHARITAS DIRECTOR DISCUSSES BORDER INCIDENT

PY022358 Asuncion ULTIMA HORA in Spanish 2 Jul 86 p 13

[Excerpts] "As I was crossing the bridge at Puerto Falcon, to enter Paraguay, the border guards stopped me, took away my Paraguayan papers, and invited me to leave the country," Father Javier Arancon, director of Radio Charitas, told ULTIMA HORA while recounting the circumstances under which he was prevented from entering the country. The incident occurred last Monday when he was returning from a trip to Buenos Aires. In a telephone conversation this morning, Father Alarcon said that he is staying at the Clorinda Parish, awaiting a solution to his situation.

The Spanish Franciscan priest, who has been in our country since 1982, recounted that "I asked the border guards whether I was invited or being forced to leave the country, and they told me that I had to leave because they had orders not to let me enter. The guards could not tell me whether the measure was final or not."

Some weeks ago Father Arancon was summoned to the Education Ministry where he was told that the authorities were unhappy with the orientation of the radio station under his direction. Asked if his expulsion from the country confirmed the existence of earlier threats, the priest said that "I did not receive direct threats on that occasion, but they could be tacitly understood." He then affirmed that "of course, the direction of Radio Charitas was the reason for this measure," but he said that "I never acted alone, because the orientation of Radio Charitas has been decided by the congregation. The fact that I am forced to leave against my will should not influence a change in that direction."

Father Arancon declined to "give my personal opinion on the situation, because this is no time to be impartial." He said that he preferred to wait for the results of the talks his Franciscan superiors and the Asuncion Archbishop are holding with the national authorities.

SOVIET DEPUTY FOREIGN MINISTER ARRIVES

PY022317 Paris AFP in Spanish 2227 GMT 2 Jul 86

[Text] Lima, 2 Jul (AFP) -- USSR Deputy Foreign Minister Viktor Komplektov today arrived in this capital for a 3-day official visit. Upon his arrival, Komplektov announced that he will hold talks with Peruvian Government officials on international and bilateral relations. I hope that these talks will be fruitful and successful, Komplektov said, without specifying the issues that will be discussed.

The USSR deputy foreign minister also said the situation in Central America is very difficult and dangerous, adding that Latin American countries must deal with the matter from their own perspective.

Peruvian Deputy Foreign Minister Hubert Wieland met Komplektov, who arrived from Caracas.

GOVERNMENT 'DEPLORES' U.S. AID TO CONTRAS

PY030407 Madrid EFE in Spanish 0354 GMT 2 Jul 86

[Text] Lima, 2 Jul (EFE) -- The Peruvian Government said today that it "deplores and rejects" the U.S. House of Representatives resolution that approved $100 million in aid to the anti-Sandinist forces of Nicaragua.

A communique from the Peruvian Foreign Ministry that was released tonight points out that the aid to the "contras, should it materialize, will represent a new and clear violation of the principle of nonintervention that is enshrined in the UN and the OAS Charters." The note adds that aid for the irregular forces "which are trying to overthrow the Nicaraguan Government" will be followed by other actions against Nicaragua, acts which are recognized as contrary to international law by International Court of Justice at The Hague.

The note also states that the aid for the contras approved on 25 June would represent "a serious, disturbing factor" to the process of negotiations sponsored by the Contadora Group "aimed at achieving peace, democracy, and well-being in Central America."

The Peruvian Foreign Ministery communique also states that, in its character as a Contadora Support Group member, together with Argentina, Brazil, and Uruguay, it affirms its "unchangeable support for the negotiations undertaken by the Governments of Colombia, Mexico, Panama, and Venezuela." It also reaffirms its determination to continue to contribute, "within a strictly Latin American framework," to a negotiated political solution in keeping with the interests of all the Central American countries "without foreign threats or interference."

At the end of the note the Peruvian Government states that it "demands" from nonregional powers "respect for the provisions of international law, an end to support for irregular forces and subversive groups, and noninterference in Central American affairs," and asks them to "abstain from the use of or the threat to use force to overthrow any government in that area."

NEW JUSTICE MINISTER APPOINTED 2 JULY

PY021914 Madrid EFE in Spanish 1731 GMT 2 Jul 86

[Text] Lima, 2 Jul (EFE) -- It was announced today in Lima that Carlos Enrique Melgar, vice president of the Peruvian Senate, will be sworn in on 3 July as the new justice minister.

Melgar, a university professor and criminal lawyer, will replace Luis Gonzales Posada, who resigned following the massacre of prisoners in Peruvian prisons, where riots broke out on 19 June.

Melgar had been considered as the most probable candidate to become justice minister among those being considered for the post.

Ministry Officials Resign

PY030317 Paris AFP in Spanish 1849 GMT 2 Jul 86

[Excerpts] Lima, 2 Jul (AFP) -- Justice Ministry sources have reported that 22 high-ranking officials of the Justice Ministry have resigned in a show of solidarity with Justice Minister Luis Gonzales Posadas, who resigned yesterday over the killing of approximately 100 inmates in Lurigancho prison. The inmates had been charged with involvement in terrorist activities.

This mass resignation, which includes Deputy Justice Minister Luicio Galarza and several high-ranking advisers, was submitted together with the resignation of Gonzales Posada, who had been a member of President Alan Garcia's administration since the latter took over on 28 July 1985.

Among those who have resigned are several department directors, Justice Ministry Secretary General Enrique Vasquez, and the chairman of the Consultative Commission of the Justice Ministry, Edmundo Haya de la Torre, the brother of Victor Raul Haya de la Torre, founder of APRA (American Popular Revolutionary Alliance).

Interior Minister Abel Salinas, who controls the police forces and has placed his resignation at the president's disposal, today appeared before the permanent congressional committee -- because both congressional chambers are now in recess -- to report on the actions his ministry has carried out in connection with the unfortunate events in the three prisons of Lima and Callao.

GARCIA MEETS WITH ARMED FORCES JOINT COMMAND

PY021428 Lima Radio del Pacifico in Spanish 1300 GMT 2 Jul 86

[Text] President Alan Garcia yesterday held a 2-hour meeting with the Armed Forces Joint Command and with the ministers responsible for national defense. The meeting was held to discuss the antisubversive strategy implemented by the government.

Although none of those involved has made a statement to the press, Government House sources have said the president and the Joint Command will hold another meeting today.

REPUBLICAN GUARD PATROL REPORTED MISSING

PY021420 Madrid EFE in Spanish 2305 GMT 1 Jul 86

[Text] Ayacucho (Peru), 1 Jul (EFE) -- According to military sources, seven terrorists have been killed in a confrontation with an Army patrol. The armed confrontation with the presumed Shining Path members took place on Monday, 30 June, in Huanta Province of Ayacucho Department, when the subversives were caught raiding a village.

Moreover, reports from Apurimac Department say a 15-member Republican Guard Patrol has disappeared. Colonel Victor Romero told the Armed Forces Joint Command that he fears the worst.

The group of Republican Guards, which left 4 days ago on a patrol toward the rugged mountainous zone of Cocharcas near the Pampas River, is part of the garrison in charge of guarding the suspension bridge linking Ayacucho and Apurimac Departments. Several provinces of these departments have been under the state of emergency implemented several years ago.

The reports say the worst is feared, because the zone through which they were traveling is plagued by Shining Path terrorists, who have been very active there. Julio Cesar Mezzich, one of Shining Path's top leaders, is thought to be hiding in the region.

Ayacucho police sources have also reported that a soldier belonging to "Los Cabitos" Garrison was murdered on Sunday, 29 June, in Ayacucho's Miraflores neighborhood.

BRIEFS

RECORD CORN, SORGHUM HARVEST -- The National Agricultural Organization reported that this year's production of corn and sorghum will be a record 600,000 tons, and that next year's harvest of rice will be 1.2 million tons. [Summary] [Lima Panamericana Television Network in Spanish 0200 GMT 30 Jun 86 PY]

GATT MEMBERSHIP TO BE ANNOUNCED ON 15 JULY

FL031136 Mexico City NOTIMEX in Spanish 0220 GMT 3 Jul 86

[Text] Mexico City, 2 Jul (NOTIMEX) -- Mexico is now a member of the GATT, and only the formal signing ceremony is lacking for complete membership in that organization, it was revealed by Senator Raul Salinas, who participated in the final round of conversations on GATT in Geneva, Switzerland.

When he was interviewed at Mexico City International Airport, the legislator reported that, after 2 weeks of conversations, the member nations of GATT agreed to the nonapplication of a subsidy on the price of fuels and the nonapplication of general rules on purchases and sales, just as the Mexican Government had proposed.

Salinas Lozano said that the official announcement of Mexico's membership in GATT will be made on 15 July by the under secretary of foreign commerce, Luis Bravo Aguilera.

GUATEMALA'S CEREZO ARRIVES, MEETS DE LA MADRID

PA022221 Mexico City XHDF Television Network in Spanish 1955 GMT 2 Jul 86

[Text] According to Miguel de la Madrid and Vinicio Cerezo, Mexican and Guatemalan presidents, respectively, relations between the two countries must take a new course, based not only on their geographic proximity but on a common past and current values. During the official reception that the Mexican Government offered to the Guatemalan visitor and his retinue at the National Palace, the two presidents agreed that these nations will find new and stronger ties of understanding. President de la Madrid said:

[Begin recording] Guatemala and Mexico today merge in a new, cordial, and sincere embrace. Our peoples are united, not only by their geographic proximity, but by strong ties of blood, origin, tradition, and culture, and the present brings them closer in their democratic vocation. [end recording]

The Mexican president said further that common development and international problems should also be considered.

He predicted that, as a result of this, fluid, open, and sincere communications will be the basis for this new Guatemalan-Mexican relationship. President Cerezo agreed that it is necessary to make up for lost time in the relations between the two countries.

[Begin Cerezo recording] We have now come to join you in your efforts, to talk about common problems that bring us closer rather than keep us apart. We have come to make decisions that should have been made a long time ago. [end recording]

The Guatemalan president stressed: We must make our nations friends, as they should have been all along, to strengthen the aspirations of a united, international society. He expressed his willingness to overcome any obstacles in order to achieve this.

When the welcome ceremony ended, the two presidents initiated their first round of talks. They will meet again tonight at the dinner that President De la Madrid is hosting for his visitor at the Foreign Secretariat.

Later President Cerezo said that the return of Guatemalan refugees depends on their willingness and that, once they return peacefully, the necessary security conditions will be created. He said that these are the two most important steps to allow Guatemalan refugees to return to their country.

He also said that Central Americans have begun to become the authors of their own destinies. This is the main step taken at the Esquipulas summit, which showed that Central Americans can make their own decisions, despite the interference of the big powers in Central American problems, he said.

Cerezo said that peace can be achieved in Central America not through armed force, but through political dialogue. He said that the U.S. aid for the contras will highlight military matters. He said: We want to stress poltical matters.

After standing guard and laying a wreath at the homeland's altar, the Guatemalan president was interviewed by several reporters.

ABADIA SAYS CONTRA AID APPROVAL 'UNFORTUNATE'

PA022149 Panama City MATUTINO in Spanish 2 Jul 86 pp 10 B, 6 B

[Text] Foreign Minister Jorge Abadia has discussed the U.S. approval of aid for the Nicaraguan contras, saying that it is "unfortunate" because it hurts and contravenes the Contadora Group peace actions.

Abadia said that Contadora opposes the giving of any kind of aid, be it military or logistical, to any irregular force attempting to destabilize and overthrow legitimately established governments in Central America.

"This aid does not help Contadora's peace actions," Abadia said during a news conference called to report on recent visits he made to New York, Washington, and Mexico.

He said the objective of the trip was to accompany his fellow foreign ministers from Mexico, Colombia, and Venezuela to the United Nations and the OAS to submit reports to Secretaries General Javier Perez de Cuellar and Joao Baena Soares and to hand them the final draft of the Contadora Document for Peace and Cooperation in Central America, which he described as "reasonable, verifiable, and just."

Abadia said that Contadora has closed a phase of activity and that the next phase must be implementation [of the document]. He warned that this last phase depends on the goodwill of the Central American countries.

Foreign Minister Abadia recalled that Contadora seeks overall, not partial, peace solutions, pointing out that the group would recognize an alternative document so long as it results from a consensus among the five Central American nations.

GOZAINE: U.S. WANTS TO SUBJUGATE COUNTRY

PA020438 Panama City LA PRENSA in Spanish 1 Jul 86 p 1 A

[Excerpt] In his closing message to the legislative sessions, Camilo Gozaine, president of the Legislative Assembly, made a veiled reference to the United States, stating that the only thing that country is interested in is pointing at someone or something and, taking advantage of the normal differences between our political parties, creating the conditions to continue subjugating us.

"To continue subjugating us, to keep us in the darkest political and social underdevelopment and thus prevent us from achieving the real and complete liberation we long for as a free and independent nation," Gozaine said in an expected reply to the recent publications made in an influential New York daily against General Manuel A. Noriega, commander in chief of the Panamanian Defense Forces. [sentence as published]

Although Gozaine said that he could not and did not want to use the Assembly to defend a great friend such as Gen Noriega, he availed himself of the opportunity to protest vehemently the attacks in the U.S. press, stating that they are part of a destabilizing campaign which is no longer against the government, but against the country, with the ignoble and clear intention of bending the people's determination to be totally sovereign.

COSTA RICA

VICE PRESIDENT DENGO ON CACM REACTIVATION

PA021451 San Jose LA PRENSA LIBRE in Spanish 24 Jun 86 p 4

[Text] Costa Rican Vice President Jorge Manuel Dengo has told this newspaper: Central America now faces a new stage in its productive development. The organizations that established this policy have continued their efforts. Costa Rica now seeks new systems for the good of all the area countries.

The CACM was "a little market that operated among five countries whose currencies were soft." When the CACM was created, there was no balance of payments, but international reserves.

U.S. currency was adopted as the general currency, and it was called the Central American peso. Each country sold its products using this currency. Later, however, devaluation and economic crisis occurred. We were left without reserves for trade. This posed a big problem for the CACM.

The official added that the Costa Rican industry is soft and needs to import raw materials. If the CACM is revitalized, according to plan, the problem of the balance of payments with each country will be aggravated. This is why a broad reactivation of the CACM is no easy matter. The only way to strengthen this market is for each country to see its domestic market extending to Central America, and in this way the entire panorama would change.

At the outset, the CACM had four levels. There was the industry and integration level, which required reciprocal investments and establishing basic industries in each country. But those industries began quarreling, and there was no way for an operation to be successful in which private and foreign capital participated. There was no support from the private sector.

Dengo also said that the CACM and foreign indebtedness problems require long-term action. This action would permit the development of a democratic institutionality for a social balance in the area and a sustained culture and education effort. Later, there would also be reactivation and economic development efforts able to form an effective productive structure to solve the problems of the country's active population.

Dengo said in conclusion that achieving all this requires a great domestic willingness by the countries. It is also necessary for the undeveloped countries to understand that the short-term measures are palliative and that the long-term sustained processes can create harmony and a fundamental change in our country.

EL SALVADOR

VENCEREMOS REJECTS PRIVATE DIALOGUE PROPOSAL

PA030220 (Clandestine) Radio Venceremos in Spanish to El Salvador 0046 GMT 3 Jul 86

["Further on the Third Dialogue Meeting"]

[Text] Peace with justice and freedom is a national aspiration that must be achieved through national effort.

The dialogue is part of the effort undertaken to attain a political, negotiated solution to the conflict and peace. The national solution requires the consensus of all the sectors of Salvadoran society. The people must participate in the dialogue.

At no time has the FMLN agreed to hold private dialogue meetings in foreign countries, because this is incompatible with the concept of a national solution. Moreover, the popular sectors must be heard and must hear the conflicting parties present and defend their views on peace. We do not believe we are the only ones offering solutions and ideas contributing to the attainment of peace. This is why our position with respect to the third dialogue meeting is constructive. We have proposed the date and place: 30 July, in San Salvador, with high-level representatives of the two parties.

However, Napoleon Durate has said that the meeting must be private and in a foreign country. When he spoke loftily before the Legislative Assembly he did not propose a private, advance third meeting. He clearly said: A third dialogue meeting to follow those held in La Palma and Ayagualo. Moreover, the middleman is attempting to use this twist of words to appear as the proponent of the advance private meeting. This is nothing but a clumsy scheme. The proposal was made by Napoleon Durate and channeled through the middleman to confuse those who are gullible. Duarte is seeking to meet in private with no witness other than his friend the middleman, to later make remarks on things no one will be able to confirm were discussed in the meeting.

The middleman, who has shown he is on the government's side, can no longer guarantee that the people will know what really happens in a private meeting. We already confirmed the ineffectiveness of the middleman at the public meetings in La Palma and Ayagualo. Napoleon Duarte did not live up to the agreements reached there even though they were written agreements. Less then will he live up to agreements reached in private meetings. It would be naive of us to give in to the propagandistic appetites of the regime. Duarte's loudmouthing over the television would never cease. Neither would [Culture and Communications Minister Julio] Rey Prendes', [Deputy Culture and Communications Minister Roberto] Viera's, or the bishops' homilies.

The dialogue must take place before the people, with the active participation of all the people's sectors. That way Napoleon Duarte will not be able to report on it demagogically. [Words indistinct] met in Ayagualo and La Palma, but did not remember this. Duarte met with the rebels who are up in arms precisely because we do not recognize his bourgeois laws, his electoral farce, and his puppet regime imposed by imperialism.

Napoleon Duarte wants to drown the possibilities for holding a dialogue with his scheme of private advance talks. The biased participation of the middleman is contributing to this. So that the people may be the judges, we report that in our last contract with Msgr Rivera y Damas we asked him, first, that he not leave the country because of the importance of the efforts he must make to hold the third dialogue meeting and in view of the importance this has for the nation and peace. To this is replied that he would leave the country. Second, we asked him to come to Morazan to meet with members of the FMLN General Command to make preparations for the meeting. Msgr Rivera y Damas did not reply to this. Instead, he travelled abroad.

Who then is playing with the third dialogue meeting? Who is attempting to kill the changes of holding the dialogue? Our position is clear: third meeting, 30 July, in San Salvador, at the highest levels, in the presence of popular sectors, so that they may hear and be heard. Peace, the dialogue, and the peaceful resolution of the conflict are a matter of national interest. The solution must be a national one.

GUATEMALA

CEREZO HOLDS NEWS CONFERENCE BEFORE MEXICO VISIT

PA022316 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 2 Jul 86

[Passages within quotation marks recorded]

[Text] President Vinicio Cerezo today denied reports that during his upcoming trip to Mexico he will conclude an agreement with that country on the utilization of the Usumacinta River which is disadvantageous for Guatemala. During his last press conference before leaving for the Mexican capital, Cerezo explained this matter as follows:

"Yes, there has been some speculation regarding the matters that will be discussed during my trip to Mexico. During the trip to Mexico we will discuss broadening bilateral trade relations between the two countries and improving political relations. We could talk about some matters regarding security on the border, for example, as well as other topics of interest. Regarding the Usumacinta River, the only thing we have agreed on -- and this is an old treaty between Guatemala and Mexico -- is to study the Usumacinta basin and not to build a dam. Even Mexican studies have noted that if a dam were built on some parts of the Usumacinta, sections of Guatemalan territory would be flooded. This cannot be carried out without previous negotiations. Of course, we are prepared to protect Guatemalan interests and our national territory. However, a study of the Usumacinta basin is good for Mexico and us, because we should know what we have and what we can take advantage of."

President Cerezo denied that during his visit to Mexico he intends to talk to Guatemalan guerrilla leaders living in that country.

[Cerezo] "I have talked about having contact with the guerrilla leaders or talking with them in Mexico. Rather, the other day someone asked me if I were prepared to talk with the guerrilla groups, and [words indistinct] word dialogue. This is not a question of talking. Instead, in Guatemala we are trying -- and I think this must be very clear -- to create the conditions so that any political group wishing to operate within the law and respect for the Constitution of the Republic can do so. These conditions are being given progressively. Surely by the end of the year we may be able to guarantee that any person, even those who have participated in the armed struggle, can have the possibility of returning. There is a big difference between this stance and dialogue. I must say that the word dialogue [words indistinct] will be very [words indistinct] to establish the basis for a process of consensus with all the groups that may wish to participate, not necessarily only the guerrilla groups. However, there are no plans for an official visit with them in Mexico. This has not been proposed [words indistinct].

[Reporter] "Who will hold talks with the refugees in Mexico?"

[Cerezo] "Look, they are far from the Mexican capital. We are going to send a commission. First of all, a Guatemalan commission will be created to handle the return of the refugees. It will be a multiministerial commission. The members of that commission will coordinate with the members of the Mexican commission. They will discuss the procedures for the voluntary return of the refugees. Naturally, since these will be cases of voluntary return, it will be necessary to maintain direct contact with the refugees at the various camps, so that they can decide whether or not they want to return."

In addition, Cerezo Arevalo said that the recently approved $100 million in U.S. aid for the Nicaraguan rebels will affect plans to create the Central American parliament, which originated in Guatemala.

[Cerezo, in progress] "... will be an obstacle. On the subject of the contras, we have said we do not want to get involved in the U.S. internal process. It is somewhat risky to ask Central Americans to comment on what U.S. congressmen will do, as that is a matter that must be pondered and decided upon by the U.S. people. Now, we are in favor of a peaceful resolution through dialogue. We have insisted on this. Every time there has been emphasis on a military solution we have insisted on the need to help the opposition's political groups. [words indistinct]

[Reporter] "It has been said in Nicaragua that the Central American peoples' will had been bought with U.S. financial support when the aid for the Sandinists [as heard] was approved. Was Guatemala's will bought?"

[Cerezo] "Well, so far we have maintained our neutral position. I do not know who Nicaragua is referring to, but it was definitely not us. [1-second break in transmission] will increase domestic violence in Nicaragua, which could hamper the democratization process. We must wait and see. As I said, we must analyze this in-depth. We have adopted a neutral position (?regarding) that process, and we prefer not to give any specific opinion on the subject. We have expressed our rejection of any possibility of direct intervention or any increase or emphasis on the military aspects."

Finally, Cerezo questioned reports attributed to the American Watch organization to the effect that the number of violations of human rights in Guatemala remains high.

[Cerezo, in, progress] "...but with [word indistinct] reserves, as this organization is known for... [changes thought] In the United States they are called leftist liberals. In other words, these are very radical organizations who have many doubts about the consolidation of the democratization processes here. We respect their views, but we disagree with their observations. The figures they have reported are the same ones mentioned by the guerrillas and other radical groups opposed to the government.

"However, the current figures are quite different from those of 1 or 2 years ago, and even more so compared to 3 years ago. The government is making a great effort to end violence. It is a serious effort, but the results of these serious efforts will be achieved step by step, one phase at a time, as we cannot perform any miracles. Formal and serious organizations such as the Geneva meeting made observations regarding the human rights situation in Guatemala, stating that solid steps had been taken to improve the human rights situation. So there are several U.S. nongovernmental and noninternational organizations and other groups who believe that we have taken firm steps in that direction. ["As I have always said, I think that the results will demonstrate our efforts. Right now there are prejudices regarding Guatemala's attitude. I am taking statistics with me to Mexico, which will be released here afterward, which show that in reality the number of possible violations of [words indistinct] of the political rights of leaders have been drastically and definitively reduced."

URNG "SERIOUSLY CONSIDERING" MEETING WITH CEREZO

PA021728 Guatemala City EL GRAFICO in Spanish 1 Jul 86 p 7

[Text] The general command of the URNG, an organization comprised of the insurgent groups operating in Guatemala, has announced that it is seriously considering the statement by Foreign Minister Mario Quinonex regarding "President Cerezo's willingness to seek a possible contact with the URNG."

The guerrillas made this statement in response to recent statements by the Christian Democratic president. President Cerezo said that he would talk to them if they laid down their weapons. The rebel organization secretly released this statement to the media yesterday while the Army was celebrating its 115th anniversary. The URNG's general command stated that "it is willing to create the conditions for this dialogue to be held at a specific time in one of our war zones and under maximum security. The war zone could be the Sierra Madre, Sierra de Chama, or Peten."

The URNG also stated that it is considering, as an alternative or should President Cerezo turn down the suggested sites, the "honorable, solidary, and significant possibility that the Government of the sister Republic of Mexico will agree to host a dialogue of this nature."

Regarding "democratization," the URNG believes that this is not possible if minimum conditions are not met. These conditions are:

1. Reorganization of the state's repressive and military organizations for the good of the people.

2. Purge of the repressive and corrupt military and police commands.

3. Abolishment of the paramilitary groups.

4. Punishment for those responsible and the masterminds of murder, torture, and disappearances in the country.

5. Abolishment of the civil defense patrols and model settlements (development settlements).

6. Full rights to meet and move throughout the country.

NICARAGUA

Minstry Warns of KISAN, MISURASATA Attacks

PA030252 Managua International Service in Spanish 0000 GMT 3 Jul 86

[Text] On 3 July the Interior Ministry warned against various terrorist acts that the counterrevolutionary packs known as KISAN [Unity of the Nicaraguan Atlantic Coast Indigenous Peoples] and Misurasata [Miskito, Sumu, and Rama Sandinist Unity] will try to execute in northern Zelaya, in the country's Atlantic sector. This is an official communique.

The Interior Ministry's Public and International Relations Directorate reports to the people:

1. The counterrevolutionary organizations KISAN and Misurasata recently infiltrated Nicaraguan territory from their bases in Honduras and Costa Rica.

2. These forces, which received military supplies recently, have concentrated in communities of the northern and southern coasts as well as on the northern flatlands, to execute actions against civilian and military targets on the Puerto Cabezas-Tronquera Highway and to execute terrorist actions to sabotage the commemoration of the Sandinist revolution's seventh anniversary in response to the approval by the U.S. Congress of the $100 million for the counterrevolutionaries, of which KISAN and Misurasata will get $5 million each.

3. We report to the people of northern Zelaya that during the previous week members of the KISAN for Death group carried out seven armed attacks against various EPS military units in the Rio Coco sector. This shows that the KISAN staff has opted for war and rejected the message for peace and dialogue of the revolutionary government and the Atlantic coast people. In addition, Misurasata forces attacked Alamcamba on 24 June. In the clash, five combatants of the people died heroically. Although they were outnumbered, the defenders succeeded in inflicting nine casualties on the warmongering enemy.

4. Supported by the desire for peace of the coastal communities, a determining factor in the cease-fire and struggle for autonomy, we reassert our willingness to talk with any rebel group that so desires. Nevertheless, we reject those who try to use the process of talks as a hypocritical move to continue war.

5. We warn those in rebellion against dialogue and cease-fire headed by leaders Rally Wilson, Bigbeard; Renaldo Reyes, Burst; Juan Salgado, Pluta; Rafael Whittleys; Catolico Castillon, Lightning; and Welcome Reymundo, Zebra, about attacks against them plotted by joint FDN and KISAN forces in a combined action against Puerto Cabezas. [sentence as heard] We again express the willingness of the Sandinist people's revolution to abide by the cease-fire accords. Nevertheless, we hereby voice our firm determination to respond with our greatest energy to those rebel groups who try to break the cease-fire accord.

7. We warn that every political stance out of the legal revolutionary framework will be punished according to law.

8. We appeal to all social sectors of the region, particularly religious, to participate actively in the efforts for peace and unity of the coastal people.

Managua, 2 July 1986

After 24 years, all arms against the aggression.

Public and International Relations Directorate of the Interior Ministry

CDN ISSUES MANIFESTO ON COUNTRY'S 'CRISIS'

PA021600 Paris AFP in Spanish 0351 GMT 2 Jul 86

[Text] Managua, 1 Jul (AFP) -- The Nicaraguan Democratic Coordinating Board (CDN), the opposition alliance, today warned that Nicaragua "is experiencing the worst crisis of its history, with a civil war that is a reality in a large part of its territory and fear and terror that are present everywhere."

In a manifesto released in Managua, the opposition bloc charged that Nicaraguans are enduring a situation in which "shortages of the most basic staples and hunger are evident in every corner" of the nation, while the "lack of freedon of the press and expression conceals from the world the tragic Nicaraguan reality."

The manifesto comes at a time when the government has issued serious warnings to opposition sectors "which have become agents of U.S. aggressive policy against Nicaragua" following the decision of the U.S. Congress to grant $100 million to the contras.

The CDN, formed by four political parties, the Higher Council of Private Enterprise, and three trade union confederations, accused the government of "abandoning the principles of political pluralism, mixed economy, and nonalignment." "The Nicaraguan conflict has been thrust into the East-West confrontation, and the thousands of youths killed or mutilated on the battlefields are the Nicaraguan people's contribution to that confrontation," the CDN charged.

At the same time, it blamed the FSLN for not taking into account the CDN proposals, "which stress the need to adopt realistic measures to overcome the political, economic, and social crisis that is smothering Nicaragua and threatens to lead to a generalized armed conflict." In this regard, the CDN leaders added that a conflict of such a nature, "in addition to causing more deaths, grief, and bloodshed, would also bring about the final collapse of our already shaky economy."

They stressed that "the country finds itself in a distressing situation in which the war, shortages, inflation, lack of foreign exchange, production, and medicines, poor health conditions, and the housing shortage are, among others, factors difficult to overcome without national conciliation." The CDN stated that "the suggestions and opinions that the international community has expressed to the FSLN government have been useless. The international community has asked the FSLN government to adopt a patriotic and nonsectarian position, correct its errors, and return to the Nicaraguans the freedoms it has restricted."

Last week's approval of $100 million for the contras, which the Sandinists view as "an open declaration of war by the United States," has led the Nicaraguan Government to study a number of measures "that are necessary to face the new situation that the country confronts." Among the initial measures, the authorities closed the opposition newspaper LA PRENSA for being "a spokesman of the Reagan administration," and they prevented Msgr Bismarck Carballo, spokesman of the Managua curia, from entering the country.

Commander Bayardo Arce, vice coordinator of the FSLN Executive Commission, has warned that the government will adopt measures against "those, whatever their names," who go abroad "to defend the U.S. policy of aggression." The FSLN is also analyzing the country's economic situation in order to "adjust" measures to face the "country's new situation."

In today's manifesto, the CDN warned that "today more than ever, a dialogue of national reconciliation is necessary as the only alternative for a solution that will save Nicaragua from the catastrophe that is looming." The CDN demanded the immediate reopening of LA PRENSA and Radio Catolica, the return of Father Carballo to the country, a halt to the pressures on the church and "threats, and a ban on attacks on the lives and psychological and moral well-being of opposition leaders who civically struggle for the democratization in Nicaragua."

For his part, in statements to the press, business leader Gilberto Cuadra has said that, "with Soviet aid, the FSLN has declared war on the Nicaraguan people." Meanwhile, [business leader] Ramiro Gurdian has said" "We are all brothers, and the reconciliation in Nicaragua should be among all of us (including the armed groups)."

LE MONDE CITES CRITICS OF SANDINIST REGIME

PM251404 Paris LE MONDE in French 24 Jun 86 p 5

[Jean-claude Buhrer dispatch: "Sandinist Communists Forcing the Pace']

[Text] Managua -- "The Sandinists follow their own inclinations. What they want is for everyone to align with their stances and to approve the Front's program, without complaining. Their splittism has led to a haughty and condescending attitude toward the democratic and anti-imperialist organizations. They thus run the risk of isolating themselves from the people, of setting themselves apart." Such remarks would not be surprising coming from a representative of the Nicaraguan opposition. However, they reveal an uneasiness when they are made by the secretary general of the Socialist Party -- in practice obedient to the Soviet Union -- Gustavo Tablada.

A Communist for the past 25 years, Mr Tablada studied medicine, and then specialized in psychiatry at Moscow's Lumumba University. He recalls that he, too, experienced imprisonment under Somoza. His party still provides its "critical support" for the revolution, but its criticism is not mild. "For the very sake of the revolution, and and as Marxists," Mr Tablada said, "we must not bury our heads in the sand and ignore the growing signs of dissatisfaction among the people. Of course the imperialist agression has greatly contributed to the deterioration of the situation, but is wrong to blame imperialism for all our troubles."

Virgilio Godoy, leader of the Independent Liberal Party (PLI), which is now resolutely part of the internal opposition to the regime, was even more critical. As a member of the faction of the old Liberal Party that combated Somoza's dictatorship, he cooperated for a while with the Sandinists, whose labor minister he was until 1984. Like the dozen-or-so other parties from the far left to the center which still observe the ground rules laid down by the government, the PLI strongly feels the impact of the suspension of basic rights decreed in October 1985. "In principle," Mr Godoy said, "the state of emergency and the emergency measures are designed to combat the contras. But that does not count for much. The people most affected are those operating within the legal framework. If the contras did not exist the government would have to invent them because it needs them to justify its policy and to silence society."

Under the state of emergency, opposition public meetings are banned. Opposition representatives have no access to the media. They can speak in the congress of deputies, but their statements are censored if by chance LA PRENSA -- the only independent paper -- wishes to publish them. Opposition deputies are very bitter about it: "The Legislative Assembly was designed for export purposes," Mr Godoy said. "In practice it has no power and is a mere sham."

The imperialist aggression provides an excuse for all kinds of severities. Recently 57 workers of the Enaves textile factory were removed by the police because they were preventing the others from working. Pointing out that strikes are illegal at present, the Labor Ministry authorized their immediate dismissal. A leader of the (communist) General Workers Federation condemned these obstacles to trade union freedom.

According to LA PRENSA management, censorship is becoming more and more arbitrary and intrusive every day. The military and security apparatus bears down like a leaden blanket in every field. The security services intervene whenever the slightest suggestion of protest emerges or a group tries to organize. Whereas Somoza used to attack mainly the middle cadres, most political prisoners now are not leaders but members of the grassroots. Though estimates of their numbers vary, the National Assembly has been bombarded by over 2,000 requests for pardons -- confined just to political prisoners sentenced to 3-6 years' imprisonment and having served half their term.

The population is held under firm control by the Sandinist Defense Commitees (CDS), which Interior Minister Tomas Borge calls "the eyes and ears of the revolution." Organized by neighborhoods and based on the Cuban model, the CDS act as the regime's transmission belt.

The other parties accuse them of not working on a democratic basis, of favoring crime, and of carrying out a political recruitment campaign. Many Nicaraguans complain of offenses committees by some low-level CDS leaders or officials, for instance by forcing them to attend Sandinist rallies or in the distribution of ration cards and the allocation of housing. "The CDS exercise constant blackmail over the population, especially in these impoverished times," Socialist Party member Julio Morales observed.

The dissatisfaction has spread as difficulties with supplies and economic stagnation have increased. "We lack everything," people say. Oil, sugar, rice, and soap are rationed. There are cruel shortages of medicines and spare parts. But everything, even gasoline, is available on the black market, at prohibitive prices. The austerity plan decreed in 1985 to combat speculation has resolved nothing. On the contrary, it has caused a dizzy escalation of prices of hitherto subsidized essential commodities.

At the Ciudad Jardin supermarket customers have to show their ration cards before entering. Long lines form in front of shelves of Polish detergents or washing powder. Half-empty shelves offer Soviet canned sardines or Bulgarian canned meat. Even the Sandinist leaders admit that "the economic situation is growing more critical every day." The shortage of currency to import equipment and raw materials is causing a growing paralysis of enterprises. The production of beans, corn, and rice has fallen considerably. Livestock farming is also declining. "In the past," Mr Tablada said, "the Nicaraguan people have managed to produce their basic foodstuffs."

With the swelling of the state apparatus another scourge has acquired alarming proportions -- corruption. A special committee was formed a year ago to combat it. The government sees in it primarily the burden of the Somozist dictatorship's legacy but both the right-wing and left-wing opposition dispute this analysis.

According to AVANCE, organ of the Communist Party, independent of Moscow, "the basic cause of corruption lies in the Sandinist Front's conception of power." The journal cites the example of the "undisclosed" incomes of government members and top officials and the material privileges that they enjoy. According to a Social Christian Party representative, the phenomenon is explained by the emergence of a "group of privileged people within society, particularly those holding high-level positions within the ruling party."

Though the population as a whole is suffering as a result of the sacrifices imposed on them, there is a minority who are untroubled by them. While the majority is struggling to survive, the representatives of a new "nomenclature" go to special stores for their supplies.

"Everything for the war, everything for the fighters." More than ever priority is given to the defense effort. Military spending alone accounts for at least half the national budget. To justify these options official propaganda maintains an outright paranoia and siege mentality. On the pretext of ensuring the survival of the revolutionary process, a "war economy" has been declared in the country. "We must accustom ourselves to making do with the minimum," a government economic adviser said. "Austerity will last several more years."

Though the economy is foundering, the army and security services are working much more efficiently. With over 100,000 enlisted men, Nicaragua has by far the largest army in Central America. Well equipped by the Soviet Union and trained by Cuban advisers, it has never been seriously disturbed by the 15,000 contras that it is combating.

"Insidiously but surely," one intellectual commented, "the Sandinists are squandering the huge assets of support which the revolution may have had at the outset and still, to some extent, at the time of the 1984 elections. We carried out this revolution in order to be masters of our destiny. But those conceited fanatics, who were only a minority, appropriated the key posts to do whatever they wanted with them. Through their obstinacy, they dragged us into the East-West confrontation and into an open war with the United States. Ignoring the Central American context and the burden constituted by an army of 100,000 men in a country with barely 3 million inhabitants, they dream of another Vietnam in order to test their theories."

Scarcely concerning themselves with the reservations of a fettered public opinion, the Sandinist commanders seem to have deliberately chosen to force the pace.

ARDE DENIES SELLING WEAPONS TO SALVADORAN REBELS

PA020407 San Salvador Canal Doce Television in Spanish 1200 GMT 1 Jul 86

[Report by Joel Burgos]

[Text] Jose Davila, ARDE political spokesman, and Commander Leonel, who upon [Eden] Pastora's departure became ARDE's top military leader, arrived in San Salvador last night to meet with various Salvadoran political sectors, whom the Nicaraguan rebel leaders declined to identify. During an interview with this station, the anti-Sandinists rejected the charges made by a Honduran deputy yesterday that ARDE sells arms to the FMLN.

[Begin Davila recording] It is absolutely untrue that the contras, the name by which the Nicaraguan patriots are known, sell arms to the Salvadoran rebels. On the other hand, Managua's communists, through Cuba and Fidel Castro, support not only the Salvadoran guerrilla organizations, the communists, but other guerrilla organizations that are active in Latin America.

This is a communist strategy. It is absurd to say that those who are fighting for democracy in Nicaragua are helping destroy democracy in El Salvador. [end recording]

Meanwhile, Commander Leonel said the Pastora's withdrawal from ARDE did not diminish its combat morale or reduce the number of fighters.

[Begin Leonel recording] Some 80 to 100 men left with Pastora. These men did not understand the situation we were experiencing at the time. However, most of the fighters who have been with us since the beginning of the struggle remain. Commander Pastora made the decision to leave with those companeros, some of whom are rejoining our ranks. Only a few, including Chacarro Emiliano, who is Pastora's brother-in-law, and several others, have not returned. However, most of them have rejoined the struggle. [end recording]

Commander Leonel said that he disagrees with a U.S. invasion, because they have the support of the Nicaraguan people. [sentence as heard]

ALMEDIA MEETS WITH POLAND'S JARUZELSKI

FL022332 Havana Radio Rebelde Network in Spanish 2300 GMT 2 Jul 86

[Text] The Polish head of state, Wojciech Jaruzelski, has met with Commander of the Revolution Juan Almeida Bosque, Communist Party of Cuba Politburo member, who is heading our country's delegation to the Polish United Workers' Party's [PZPR] 10th Congress.

The meeting was held in a fraternal and friendly climate. Both parties exchanged views on the existing productive bilateral relations. Almedia conveyed to Jaruzelski greetings from Commander in Chief Fidel Castro, party first secretary, and congratulated him for the successful development of the PZPR's 10th Congress.

Commander of the Revolution Juan Almeida also visited the Warszawa steel mill, where he did not need an interpreter as he delivered to its workers a bronze engraving with the heroic guerrilla fighter's face. All he said was: Che.

HAVANA VIEWS RESUMPTION OF TIES WITH BRAZIL

PA022138 Havana International Service in Spanish 2300 GMT 1 Jul 86

["Our America" commentary, read by Manolo Ortega]

[Text] On 14 April, Cuba and Brazil resumed diplomatic relations with the desire to strengthen their ties of bilateral friendship and cooperation, inspired by sovereignty, independence, territorial integrity, and nonintervention in the other country's domestic affairs, principles embodied in the United Nations Charter. The governments and peoples of the two states thus reaffirmed their Latin American heritage and laid aside the meanness of Washington, which brought into play all its political influence so that these relations could continue to be interrupted. Illustrious Latin American citizens like Jose Marti and Simon Bolivar warned, early during their struggle for independence in the Spanish colonial period, that the biggest obstacle for our peoples was the insatiable expansion of the United States, whose hegemonic hunger was confirmed in the course of time.

The Cuban revolution was a unique event in the American continent. For the poor people of the hemisphere, this revolution motiviated their forces and abilities to recover all the values that enrich our nationalities. For the Washington neocolonialists, however, used to determining Latin America's domestic affairs prior to 1959, the revolution headed by Fidel Castro was an act that contradicted the old scheme of "America for the Americans." This is why Yankee imperialism from the outset blocked Cuba not only economicallly, but also politically and socially. Imperialism tried to strangle Cuba by all means. Toward this end, it pressured the region's countries into breaking relations with the Caribbean island during the OAS meeting in Punta del Este in 1962.

Nevertheless, it is clear that the destiny of Latin Americans is one and only for their history, culture, and common roots. The democratic Government of Brazil is the 10th that has resumed diplomatic relations with Cuba. In truth, however, ties between the two peoples were never really affected. They have much in common, historically, ethnically, and culturally. Both the Cuban and Brazilian peoples expressed their joy over the official rapprochement between the two countries. It is certain, however, that Latin America is the big winner.

It currently struggles for its economic, political, and social integration to be able to confront any aggression against one of its territories. In this regard, Brazil and Cuba constitute important elements for the defense of regional interests. The Malvinas war between Argentina and Great Britain prompted this Latin American unity, and the current U.S. aggression against the friendly country of Nicaragua has expanded this need.

BENAVIDES APPOINTED HEAD OF EMS COMMISSION

FL011256 Havana Radio Progreso Network in Spanish 1100 GMT 1 Jul 86

[Text] The Council of State has appointed Joaquin Benavides Rodriguez, Central Committee member, to the post of president of the National Commission of the Economic Management System [EMS], with rank of minister of the government.

Francisco Linares Calvo, Central Committee member, has been designated president of the State Labor and Social Security Committee.

CORRECTION TO CASTRO ENTERPRISES SPEECH

The following correction pertains to the item headlined "Castro Gives Speech at Enterprises Meeting," published in the 1 July Latin America DAILY REPORT on pages Q 8-Q 26:

Page Q 8, subslug should read ...[Speech by President Fidel Castro on 26 June at conclusion of meeting on enterprise management held at Havana's Karl Marx theater -- recorded] ...correcting venue;

Page Q 10, paragraph five, line nine reads ...directing them to liquidate their businesses. They went back ...supplying indistinct words;

Page Q 11, paragraph two, line seven reads ...would steal a truckload of iron rods and would then ...rewording;

Page Q 14, paragraph one, line two reads ...not built. Comrade De la Nunez knows that I ...supplying indistinct name;

Page Q 15, paragraph seven, line one reads ...class in Cuba. We had reports about these large ...supplying indistinct words;

Page Q 16, paragraph four, line seven reads ...such and such conditions! I doubt that ...confirming queried word;

Page Q 17, paragraph seven, line one reads ...Of course, all this was preceded by ...clearing queried words;

Page Q 17, last paragraph, line three reads ...by the municipalities. It was really very interesting. ...supplying indistinct words;

Page Q 18, paragraph one, line one reads ...They have raised the point that the problem of the workers who are no longer being used but remain on the payroll must come to an end. ...rewording;

Same page, paragraph four, last line reads ...in practice, and this is a rectification. ...confirming queried words;

Page Q 19, paragraph three, line five reads ...to be paid for on-duty time and similar cases ...rewording;

Same page, pragraph four, line two reads ...on their own. It is known that they teach and are paid, the principle applied ...supplying indistinct words, rewording;

Same page, paragraph five, line one reads ...money. A youth who takes entrance exams has more opportunity ...supplying indistinct words;

Page Q 20, paragraph six, line three reads ...a perfect organization. Los Naranjos Enterprise and the Hector Molina sugarmill complex show that ...supplying indistinct word, rewording;

Page Q 25, paragraph three, line twelve reads ...microbrigades, and also child care centers, so that what ...supplying words indistinct, rewording;

Same page, paragraph four, line one reads ...In a way they are already operating because the houses/consultation offices are being built by microbrigades. In addition, ...supplying indistinct words, rewording;

Same paragraph, line six reads ...microbrigades movement is going to build some of the houses; others will be built by the work centers and ...supplying queried word, rewording;

Same page, same paragraph, line ten reads ...was talk about calling microbrigades to build at least 40 percent of these tall apartments ...supplying indistinct words, rewording;

Page Q 26, paragraph three, line three reads ...will analyse with the construction companeros all these industries, all 47 of those projects. We will study ...supplying indistinct words, rewording.

BRIEFS

USSR PUBLISHING ACCORD SIGNED -- PRENSA LATINA has reported that the Soviet Union and Cuba today signed a bilateral cooperation agreement on book publishing, printing, and marketing for 1986-1990. [Text] [Havana Radio Rebelde Network in Spanish 2300 GMT 2 Jul 86 FL]

FURTHER REPORTAGE ON CARICOM LEADERS' MEETING

Leaders Report Progress

FL020328 Bridgetown CANA in English 0142 GMT 2 Jul 86

[Text] Georgetown, Guyana, July 1, CANA -- The 1986 Caribbean Community (Caricom) heads of government conference tonight reported progress at its first plenary session after this morning's official opening here.

Guyana's Attorney General Mohammed Shahabuddeen told a press briefing the leaders had adopted the report of the Caricom council on the contentious issue of intra-regional trade and reviewed the status of implementation of the so-called Nassau Understanding (1984) on readjusting regional economies. The heads agreed to a recommendation that there be a review of the incidence of stamp duties in Caricom.

The meeting, chaired by Guyana President Desmond Hoyte, heard a review of the performance of the international economy by deputy secretary of UNCTAD (United Nations Conference on Trade and Development), Grenadian Alister McIntyre and Commonwealth Secretary General Shridath Ramphal.

Caricom Secretary General Roderick Rainford explained that the council -- second highest authority after the summit -- had reached unanimous agreement and patiently negotiated around the table a resolution on the vexed question of the continuing decline in trading among Common Market member states. Rainford said member states reiterated their commitment to upholding the provisions of the Caricom treaty, in particular Article 21, which prohibits the imposition of quantitative restrictions on intraregional trade. The council -- essentially ministers of trade -- agreed further that in the meantime import licenses for goods of Caricom origin would be issued promptly by those countries operating such a regime not invoked in accordance with the treaty and that every effort would be made to ensure that the required foreign exchange to facilitate the imports would be made available at the time of the issuing of the licenses. The trade ministers also agreed that member states would identify other non tariff barriers of one sort or another that can be recognised as an impediment to trade and to remove them.

Rainford said that during the first plenary session of the summit, two items were added to the agenda: the question of how to utilise funding allocated for regional projects under the Lome Convention linking Europe with the African Caribbean and Pacific (ACP) bloc and problems related to the marketing of regional arrowroot. This latter matter he said was of special concern to St Vincent and the Grenadines which produces arrowroot.

Dr Shahabuddeen said the heads today also discussed proposed new arrangements for the marketing of primary agricultural products and livestock with particular reference to the problem of dumping of surplus beef by the European Economic Community (EEC).

The leaders endorsed the plan of action of last month's Caricom foreign ministers meeting to protect the region against the ill effects of nuclear plants in the region. The foreign ministers had agreed that steps be taken to monitor radioactivity, prevent the importation of contaminated food and lobby the international community at large on the issue.

The proposed creation of a trade credit facility to provide pre and post shipment finance for regional exporters was discussed briefly by the heads who are to return to it tomorrow, the Guyana minister said.

Barrow Addresses Conference

FL021841 Bridgetown CANA in English 1421 GMT 2 Jul 86

[Text] Georgetown, Guyana, July 2, CANA -- Prime Minister Errol W Barrow of Barbados offered some clear insights into his thinking and philosophy when he addressed the current Caribbean Community (Caricom) summit here yesterday. Following are some quotes from Barrow's speech which was punctuated throughout by enthusiastic applause from those gathered at the National Cultural Centre here for the opening ceremony:

On agriculture and food production: Surrounded by the richest of seas, we have condemned ourselves to importing fish. Our lands can provide almost every known food crop, yet we persist in the luxury of imported vegetables and tinned goods...

...It is here we need to begin, in the schools, if we are going to correct this hostility directed towards the production of food which is the very fuel of our existence. And if we are going to help another generation to understand what we mean by self-sufficiency, (it) may be one of our greatest forces of resistance to any form of external penetration.

On militarisation of the Caribbean: My position remains clear...the Caribbean must be recognised as a zone of peace...

Europe, and by extension the United States, have always thought it a perfectly natural duty to invade and occupy these territories. Columbus did not discover the new world, he invaded it...

We started our history as naval and military bases....that is our association with the modern world, each territory was there for capturing, recapturing.

...If the whole West Indian movement is towards control of its own affairs, I, too, should like to know the clause in Adams will which denies the West Indian people a share of this world, especially a share of the world that rightly belongs to them. We have seen it used as a base for a number of military exercises whose purpose is clear. There have been joint manoeuvres of great magnitude...indeed, a very high ranking officer, in fact the highest ranking officer of the United States Navy in Puerto Rico...explained their purpose when he said: The orchestra practises before playing in public.

I have said, and I repeat that while I am prime minister of Barbados, our territory will not be used to intimidate any of our neighbours, be that neighbour Cuba or the United States of America....

On the University of the West Indies: The promise of the regional integration movement...cannot be realised unless we find new ways of communicating to the mass of our people the meaning and purpose of all our regional institutions. And that's one reason -- if no other could be found -- why the University of the West Indies must at all costs retain its regional character, and why the university must move away from the confines of the campus more and more into the heart of the communities which constitute our region...

The University of the West Indies has provided us over more than one generation with some very remarkable social scientists...every major sector of our economic life has come under their scrutiny. Sugar, bauxite, oil, tourism, what you will. Ver Brandt and Thomas and Carrington and Brewster and Beckford and, of course, Lloyd Best, investigations which have always concerned the Institute for Social and Economic Research whose former director Alistair McIntyre is with us here today. And these all proved beyond any doubt that this region is not lacking intellectual human resources...

TCF Accepted in Principle

FL021737 Bridgetown CANA in English 1705 GMT 2 Jul 86

[By Trevor Simpson]

[Text] Georgetown, Guyana, July 2, CANA -- Caribbean Community (Caricom) leaders meeting here have accepted in principle the proposed creation of a new credit scheme to boost exports to be in place in about a year's time, conference sources said today. We have a recommendation which we hope will develop extra-regional trade in particular, one minister told CANA. Agreement on the so-called Trade Credit Facility (TCF) is considered important to reversing a 26 per cent decline in trade among the 12 Caribbean Common Market states over the last three years.

The heads endorsed the basic recommended framework for a U.S. 75 million facility to provide pre and post-shipment credit to Caricom manufacturers, especially for non traditional exports. Caricom Secretary General Roderick Rainford explained that according to the proposal the money will be raised in the first instance from Caricom countries. Part of the funds will be in the form of equity, which will be subscribed by the participating countries. The rest...would be in the form of loans, some of which are expected...to be raised within the region, as well as from a range of international financing agencies, Rainford said.

The leaders agreed to provide some of the TCF equity, though acknowledging that the scheme may not be fully capitalised by the proposed July 1987 start date, conference sources said. The TCF would be managed by the Barbados-based Caribbean Development Bank.

The leaders went into their first caucus today on some of the more sensitive items on the agenda, including cooperation in air transportation, the situation in Southern Africa, and how to allocate the U.S. 93 million dollars in development aid funds expected from Europe under the new Lome Convention.

St Vincent Prime Minister James Mitchell said just before the session started he had succeeded yesterday in sensitising fellow Common Market countries to the need for help and protection for regional producers of arrowroot starch. There is a lot of corn starch being imported into the area, Mitchell said, and everyone complains that our prices are high, but so are the prices of several other commodities in Caricom which have to be protected. St Vincent, he said, was also looking forward to settlement of the Lome funding issue.

Trinidad and Tobago found ready support in yesterday's first plenary for its paper urging regional action to deal with the threat to the region posed by nuclear plants, either built or under construction in Cuba, Mexico, Argentina, and Brazil. The leaders agreed to raise the issue in international fora, including the United Nations and the Organisation of American States (OAS).

Dominica Prime Minister Eugenia Charles, who missed yesterday's official opening, joined the other leaders today after arriving last night at the end of a European trip.

Montserrat's Osborne on Human Rights

FL020325 Bridgetown CANA in English 2122 GMT 1 Jul 86

[Text] Georgetown, Guyana, July 1, CANA -- Montserrat's Chief Minister John Osborne today suggested the time might be right to establish a regional mechanism to deal with human rights and political malpractices within the Caribbean Community (Caricom).

Addressing the opening session of the seventh Caricom heads of government summit here, Osborne said human rights abuses, which can have negative effects on the regional integration movement, could be stamped out through regional cooperation. The challenge facing Caricom, he said, was how to meet the basic needs of the people and satisfy the legitimate aspirations of the youth.

Caribbean governments must also act to halt growing social instability which has led in recent years to increasing unemployment, Osborne said. The chief minister of the lone non-independent member of the 13-nation community said young people in their frustration were trafficking in dangerous drugs and governments as a result have had to deploy already scarce resources to deal with these problems.

Osborne attributed the social problems to the weakening economic performance of Caricom states. In effect, the economic problems result in a steady increase in unemployment and a concommitant escalation of the crime rate and indisciplined social behaviour, he said.

St Christopher's Simmonds Talks

FL020321 Bridgetown CANA in English 2126 GMT 1 Jul 86

[Text] Georgetown, Guyana, July 1 CANA -- The prime minister of St Kitts and Nevis Dr Kennedy Simmonds has reminded member states of the 13-nation Caribbean Community and Common Market (Caricom), whose leaders started a summit here today, that a review of special benefits to the less developed countries of the region is long overdue.

Dr Simmonds said member states are obligated under the Treaty of Chaguramas, which established Caricom to undertake an annual review of mechanisms for the less developed countries. Under Article 62 of the treaty the common market council of ministers are responsible for an annual review of the need for strengthening mechanisms or introducing new ones to provide greater benefits to the LDC's [lesser developed countries], and submit a report to the heads of government conference.

Dr Simmonds said the LDC's of the region face the problem of small size and its attendant difficulties. Dr Simmonds said this underscored the need for small states to coordinate their position on international issues. We should be more strident in our opposition to nuclear arms and the establishment of nuclear plants, Simmonds said. he said it was also important to jointly condemn apartheid in South Africa and call for the ostracising and isolation of the Pretoria regime, including the strongest possible sanctions.

Dr Simmonds also echoed the concern of Montserrat over drug trafficking and abuse in the region. He said the Organisation of Eastern Caribbean States, of which he is the chairman, recently took a decision to mount an offensive against drugs which he described as a threat to the fabric of society.

Dr Simmonds said the University of the West-Indies has a significant role to play in solving some of the problems facing the region and called for university education to be available to more people. Touching on intra-regional trade problems, Dr Simmonds said St Kitts and Nevis has done its fair share. He said it had a barter trade arrangment with Guyana, under [words indistinct] exchange for Guyanese rice.

But Dr Simmonds said Caricom has survived the trade difficulties, the problems relating to the now suspended Caricom multilateral Clearing Facility, Caricom and protectionist trends. He said Caricom was beaten but not vanquished.

Dr Simmonds said the reasons for regional integration went beyond economic reasons as Caribbean people were historically and emotionally bound together.

ENVOY TO OAS SWORN IN AS PERMANENT COUNCIL HEAD

FL011910 Bridgetown CANA in English 1848 GMT 1 Jul 86

[Text] Washington, July 1, CANA -- Haiti's ambassador to the Organisation of American States (OAS) today assumed the chaimanship of the OAS Permanent Council, promising to work for the further democratization of Latin America.

I hope this process reaches each country of Latin America, said Ambassador Pierre SAm. In my country's case, it is not easy but I believe that with the spirit and determination which exists in my government and the people of Haiti, we will reach our objective.

Sam, the first Haitian to chair the highest permanent political organ or ghe OAS since 1978, will serve for three months. He took the chairmanship from Guatemalan Ambassador Fernando Andrade Diaz-Duran.

JAMAICA

WPJ ANNOUNCES MUNICIPAL ELECTIONS CANDIDATES

FL022015 Bridgetown CANA in English 1923 GMT 2 Jul 86

[Text] Kingston, Jamaica, July 2 CANA -- The Marxist-Leninist Workers' Party of Jamaica (WJP) today announced it will field 14 candidates in municipal elections to be held here July 29.

There are 187 seats at stake in 13 local government authorities. The elections will be a straight fight between the ruling Jamaica Labour Party (JLP) and the opposition People's National Party (PNP).

This the WPJ's second participation in local elections. The party fielded two candidates in the 1981 poll, receiving 15 and 13 per cent of the votes.

The WJP has taken some comfort from that performance, noting that it was the first time that candidates in any third force of independent won more than 10 per cent of the vote in the country's electoral history.

The WPJ's candidates will run in eight parishes, seven of them rural.

Meanwhile, the party has asked for representation on a JLP/PNP committee formed to oversee the conduct of the elections. The committees aim is to prevent violence, and ensure that issues are discussed on the platforms.

ST LUCIA

POPE JOHN PAUL II TO PAY 7-HOUR VISIT ON 7 JULY

FL021753 Bridgetown CANA in English 1720 GMT 2 Jul 86

[By Ernie Seon]

[Excerpts] Castries, St Lucia, July 2, CANA -- Church and government are completing preparations for Pope John Paul's seven-hour visit here on Monday, which will offer spiritual food for the faithful and some much needed free publicity for the island's depressed tourist industry.

The pope will arrive here from Colombia on his way back to the Vatican, and his tightly packed itinerary will be highlighted by an open air mass 11 kilometres north of here which will be attended by most of the island's Roman Catholics, in addition to government and church leaders.

The prime ministers of the six other members of the Organisation of East Caribbean States (OECS) -- Antigua, Dominica, Grenada, St Kitts, and St Vincent -- will join their St Lucia counterpart, John Compton, here for the papal visit, according to church officials.

With the attempted assassination of the pope still in the backs of their minds, authorities here are taking no chances. Security will be tight, provided both by local forces and Vatican security.

Thousands of Roman Catholics are expected from the eastern Caribbean and North America for the visit. Packages are being promoted in most of the islands of the area.

Aside from the open air mass, the pope will also visit the Catholic cathedral here where he will offer prayers, he will also attend a reception at the governor generals mansion.

PRESIDENT HOYTE ON CUBA, CENTRAL AMERICA

PA021655 Caracas EL NACIONAL in Spanish 23 Jun 86 pp D-1, D-2

[Interview with President Desmond Hoyte by Alfredo Pena at Government House in Georgetown on 18 June]

[Excerpts] [Pena] How are Guyana's relations with Cuba? In the past it was said that relations were so close that many Cuban planes passed through with troops bound to fight in Africa.

[Hoyte] That was never true. I was in the government at the time and I can assure you that no Cuban military plane arrived here for that purpose. Nor have there been any military planes from any other country. We have had very good relations with Cuba. Both our countries belong to the Nonaligned Movement. We want to have the best relations with our neighbors, the countries of the hemisphere, and the rest of the world. Cuba has helped and trained our young doctors. These relations have also been satisfactory at the economic, commercial, and cultural level. Cuban-Guyanese relations are based on equality and mutual respect.

[Pena] And your relations with Nicaragua?

[Hoyte] We have nonresident diplomatic relations. We do not have diplomats in Managua, nor does Nicaragua have any diplomats here. We have not made any commercial agreements with that country.

[Pena] What is you opinion on the Nicaraguan revolution?

[Hoyte] Every country has a right to solve its internal affairs independently and without outside interference. We have no reason to become involved in the internal affairs of other countries. We were invited -- we declined to assist -- to attend the Nicaraguan elections as observers. We acted in this manner as this is not our problem. Only the Nicaraguans can decide on their form of government.

[Pena] But the Guyanese Government at the time of the elections in Nicaragua, and long after, expressed full solidarity with the Nicaraguan process.

[Hoyte] We have said that we are against foreign intervention in Nicaragua or in any other country. This does not mean we are making any judgment on the good or bad things in the Sandinist Government. No one has a right to exert pressure or threaten to overthrow a government with the excuse of not liking a country's government. This position is shared by all the people of Guyana.

[Pena] President Burnham stated once that he feared Guyana would be invaded just like the one the United States carried out in Grenada. Do these fears still exist?

[Hoyte] I am not afraid of a U.S. invasion or any other type of invasion. There is nothing that would make me believe that. There is no evidence in this respect. I do not know in what context President Burnham made that statement.

[Pena] How do you believe that Central American crisis should be dealt with, especially the Nicaraguan problem?

[Hoyte] We back the Contadora Group. Up to now the peace initiative has not been all that successful, but we must be patient. We must avoid some outside interference in this situation. Contadora still has a lot to do. Contadora seeks regional peace. A violent solution could extend beyond Central America.

[Pena] The fact, nevertheless, is that in one way or another the world struggle between Washington and Moscow is present. How can Contadora come to a practical solution if Moscow and Washington are on different paths?

[Hoyte] Our small countries are the victims of the struggle between two giants. President Nyerere of Tanzania told us this African proverb: "The grass suffers when elephants fight and also when they make love." This is precisely one of the objectives of the Nonaligned Movement, to see how we can protect ourselves from the struggle of the two superpowers. It is clear that the problem of Central America is not only a Central American problem. It has an effect on relations between Washington and Moscow. The same thing happens in Afghanistan. In both cases superpowers feel that their strategic interests are being threatened. The unity of our countries is the only formula to strengthen ourselves and play a more active role in the economic and political fields.

[Pena] What will be your government's policy toward Washington and Moscow?

[Hoyte] Equidistant between each of the two superpowers. We will be on good terms with both, always taking into account our vital interests. At the United Nations and other international forums we shall vote analyzing each case specifically and according to our point of view. We shall not be part of any bloc, nor shall we vote automatically. Our international policy shall be based on principles.

DAILY REPORT

Latin America

Vol VI No 129 7 July 1986

BRAZIL

- Sarney Accepts Reagan's Invitation to Visit [O GLOBO 3 Jul] D 1
- Meeting With U.S. on Informatics Ends in Paris D 1
  - Sarney Denies Joint Ventures D 2
- Central Bank Head Announces Debt Renegotiation D 2

CHILE

- President Pinochet Comments on Violence, Strike E 1
  - Calls for 'Responsibility' E 1
  - Praises Workers, Criticizes Opponents E 1
  - Comments on Student Violence E 2
- Ministry Rejects Alleged FRG, U.S. Statements E 3
- Unidentified Group Attacks Police Barracks E 3
- 2-Day Strike Ends; Deaths, Violence Reported E 4
  - Carabineros Break Up Rally E 4
  - FRG Television Crew Attacked E 4
  - Army Denies Burning Youths E 5
  - Burned Student Dies E 5
  - Government Radio Reports Events E 6
  - Television Reports Vandalism E 7
  - Strike Leaders Ordered Arrested E 7
  - CAUCE, ANALISIS Under Scrutiny E 7
  - Organizers Appoint 'Alternate' Board E 8
  - ANC: Strike 'Complete Success' E 8
  - ANC Appeals to Armed Forces E 9
  - Santiago Returns to 'Normal' E 10
- Military, Carabineros Raid Santiago District E 10

COLOMBIA

- M-19 Interrupts TV Coverage of Pope's Visit F 1
- Bomb Explodes Near Peruvian Consulate in Cali [EL TIEMPO 27 Jun] F 1
- M-19 Urges 'National Reconciliation' Formulas [EL TIEMPO 2 Jul] F 2

PERU

- Embassies Bombed in Lima; APRA Member Murdered J 1
- USSR's Komplektov on International Issues J 1
  - Ends Visit J 1
- War Minister Flores Denies Coup Possibility J 2
- Garcia Appoints Blancas to Justice Ministry J 5
- Interior Minister Appears Before Congress J 5
- Salinas Denies Resignation; Reports on Drug Raid J 6
- Former Republican Guard Leader Refuses to Retire J 7

Penitentiaries Institutes Director Resigns J 7
Military Reports 31 Shining Path Killed in Clash J 8
Shining Path Kills Navy NCO in Revenge Raid J 8

MEXICO

Regional Election Held in 'Calm and Order' M 1
  PAN Accuses PRI of Fraud M 1
Senate Sends Protest Notes to U.S. Senators [EXCELSIOR 30 Jun] M 2
  Parties View DeConcini Proposal [EL DIA 2 Jul] M 3
Briefs: Increased Coffee Revenues M 4

CENTRAL AMERICA

COSTA RICA

Diplomatic Relations Broken With South Africa P 1
Arias Sends Message to Peru's Alan Garcia P 1

EL SALVADOR

Duarte Interviewed on Dialogue Efforts P 1

GUATEMALA

'First Step' Taken To Resume Relations With UK P 3
Foreign Ministry Appoints Acting Envoy to U.S. P 4

HONDURAS

Azcona Says Contra Aid 'Not Sufficient' [TIEMPO 2 Jul] P 4
Armed Forces Comment on U.S. Envoy's Removal P 5

NICARAGUA

Government Forbids Return of Bishop Vega P 6
  4 July Decree P 6
  Ortega Comments [DPA] P 7
  Nunez Remarks P 8
  BARRICADA Editorial [4 Jul] P 8
Religious, Rebel Leaders Denounce Vega Expulsion P 9
  Pope 'Deeply Affected' [AFP] P 9
  Envoy Says Pope 'Misinformed' P 10
  Obando y Bravo Comments [AFP] P 10
  FDN Protests [ACAN] P 12
32 Civilian Casualties Alleged From Mine P 12
  Protest Note P 13

CUBA

EFE: No Official Comment on Talks With U.S. Q 1
  Political Prisoners Released [EFE] Q 1
Castro Speech at Genetic Engineering Center Q 2
Reportage on ANPP 10th Meeting 3-4 July Q 15
  Castro at 3 July Session Q 15
  Meeting Continues 4 July Q 16
  Contra Aid Condemned Q 17
  Message to Brazil Q 17
  Meeting Ends Q 17
Ambassador Soto Ends Tour in Moscow 4 July Q 18

CARIBBEAN

BAHAMAS

PLP Defeats FMN in By-Election; Results Challenged S 1

BARBADOS

Foreign Minister Discusses Relations With U.S. S 1

HAITI

Duvalier Dismisses Accuasations of Theft S 2

SARNEY ACCEPTS REAGAN'S INVITATION TO VISIT

PY050201 Rio de Janeiro O GLOBO in Portuguese 3 Jul 86 p 23

[Text] Brasilia -- President Ronald Reagan yesterday extended an invitation to President Jose Sarney to visit the United States beginning 10 September. According to an Itamaraty source, the purpose of the invitation is to dispel speculation that relations between the two countries have deteriorated over the problem raised by the Brazilian Informatics Law. The source said that the visit will demonstrate the interest of the two countries in maintaining good relations.

Officially, however, Reagan's invitation is meant to reciprocate his visit to Brazil in 1982. Sarney will hold two working meetings with the U.S. President and will be offered a banquet on 10 September. He will spend the next 2 days in New York, fulfilling an as yet undetermined agenda. According to Itamaraty, the Brazilian presidential delegation will be made up of important personalities considering the political importance the two governments attach to the visit.

The two presidents will make an overall review of bilateral relations. Sarney's visit, however, will not interfere with the talks between the Brazilian and U.S. delegations on the Informatics Law. This visit will not obviate a future meeting between Foreign Minister Abreu Sodre and U.S. Secretary of State George Shultz to discuss that matter. Itamaraty denied that the invitation to President Sarney is intended to speed up a solution to the problem and to force the Brazilian Government to take a final position on the question of the reserved market.

The way Brazilian diplomats see it, the initiative by the U.S. President marks the high point of a policy of rapprochment, which began in April, following the Brazilian Government's reaction to the U.S. criticism of and threats of reprisal against the Informatics Law.

MEETING WITH U.S. ON INFORMATICS ENDS IN PARIS

PY032010 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 3 Jul 86

[Text] Within the next 10 days, the United States will present a list of specific topics with examples of its objections to informatics market reservation law. Brazil then will answer the list item by item.

A joint communique was issued yesterday in Paris, at the close of the talks held by the U.S. and Brazilian delegations throughout the day. The communique said:

During the meeting the two delegations found topics on which they agree, and points of concern for the two countries. The topics on which they agree offer real possibilities for progress.

Ambassador Paulo Tarso Flecha de Lima, who led the Brazilian delegation, said that the atmosphere of the meeting was satisfactory. According to him, the talks were based on the principle established by President Jose Sarney that the Informatics Law is not negotiable.

The meeting gave the U.S. delegation another opportunity to gather information on the details of the Brazilian laws and to ask questions. Three topics are of special interest to the U.S. delegation:

1. The effect on U.S. trade of the system adopted by Brazil for the implementation of the Information Law in the country.

2. The Brazilian legislation for the forming of joint ventures, that is, mixed-economy enterprises, in the informatics sector.

3. The Brazilian position toward the adoption of a body of laws to protect software.

These questions have not yet been answered. They will form part of a document, with precise questions, to be presented by the Americans to Brazilian authorities in 10 days. Another meeting will then be held in August, probably in Paris.

According to a report by Ambassador Flecha de Lima, the dialogue with the Americans is essentially political. He added that during this Paris meeting the Brazilian delegation insisted on making it clear that Brazil has no intention of modifying its information laws. The situation remains open on the possibility of adapting the law in the most convenient way, the communique stated.

Sarney Denies Joint Ventures

PY051803 Brasilia Radio Nacional da Amazonia in Portuguese 1000 GMT 5 Jul 86

[Text] President Jose Sarney denied yesterday having authorized joint ventures with foreign enterprises in the informatics field with the purpose of developing computer programs.

The president asserted that so far no decision has been made, noting that the informatics law will not be mofidied.

CENTRAL BANK HEAD ANNOUNCES DEBT RENEGOTIATION

PY042130 Madrid EFE in Spanish 1314 GMT 4 Jul 86

[Text] Brasilia, 4 Jul (EFE) -- Brazil's Central Bank president Fernao Bracher confirmed today that an agreement will be signed in New York on 25 July with creditor commercial banks. This agreement is to refinance $31 billion in debts, which reached maturity in 1985, and debts that will fall due in 1986.

Bracher said the agreement was reached last week when the Central Bank decided to take over the debts of three Brazilian commercial banks which were liquidated in out-of-court settlements. Brazil will pay $31 billion to foreign commercial banks. This represents 30 percent of the country's total foreign debt.

Of that amount, $15 billion will be for the amortization of the principal of debts with 1985 and 1986 maturity dates. The remaining $16 billion will cover commercial and interbank credits.

Fernao Bracher will travel to New York on 25 July to sign the agreement documents. The creditor commercial banks will have until the last half of August to sign the documents.

PRESIDENT PINOCHET COMMENTS ON VIOLENCE, STRIKE

Calls for 'Responsibility'

PY040212 Santiago Domestic Service in Spanish 2300 GMT 3 Jul 86

[Excerpts] President Augusto Pinochet stated today that what Chile needs is seriousness and responsibility; not anarchy or revolution. He made the statement upon thanking members of the (Lircay) Center for Historical Studies for an award delivered to him during a ceremony held at the O'Higgins Hall in La Mondeda Palace.

Pinochet said that despite the government's efforts, there are people who, resorting to violence and reciting trite slogans, are seeking to bring about disorder and social agitation.

[Begin recording] What Chile needs is seriousness and responsibility; not anarchy or revolution. The Constitution can be fully enforced only by respecting the laws and by promoting work; not by instigating crimes and terrorism, let alone by organizing stoppages or encouraging subversion. [end recording]

Praises Workers, Criticizes Opposition

PY042248 Santiago Radio Chilena in Spanish 1700 GMT 4 Jul 86 [Text] President Pinochet has said that there are some people who apparently wish to apply the Nicaraguan model in Chile, where there is only one choice: either order of chaos. The chief of state made this statement during a brief encounter with journalists accredited to Government House. Regarding the events of recent days, President Pinochet expressed his recognition and [word indistinct] to the large majority of workers for having gone to work normally despite the difficulties raised by opposition sectors. He acknowledged all the sectors that went to work despite the hindrance caused by inconsiderate people who did not mind harming others.

President Pinochet was asked if he thought the stoppage represented the opposition's legitimate expression of dissidence, or if he thought it was actually an escalation of violence organized by Marxist sectors with purposes other than peaceful disagreement.

The president replied: The proposals and statements made by the leaders very clearly indicated their purpose to destabilize the government by uniting their forces, engaging in civil disobedience, and fostering ungovernability. He added that, in this action, there was unity of groups ranging from Christian Democrats to Communists under what they call a wide spectrum. This means, he said, that those self-proclaimed democrats are acting with the antidemocrats and terrorists.

The president said that the facts have shown that communism has led the strategy, intimidating the population with bombs and anonymous messages, particularly the bus drivers, thus reducing public transportation and affecting the normal development of activities.

Therefore, the president asked, what sort of legitimate dissidence can we speak of? They are no dissidents, he said, they simply defy authority, break the law, and on many occasions, favor violent confrontation.

Finally the president said: I have heard a few people speak of success and triumph with insolence, but their lack of social sensibility is extreme.

Comments on Student Unrest

PY050358 Santiago Domestic Service in Spanish 2300 GMT 4 Jul 86

[Text] President Pinochet has stated that the students who really want to study cannot remain passive in the face of violence. Regarding the recent incident, he said that they just demonstrate the irresponsibility of certain opposition leaders who are (?blind) and hope to end this regime, and who dream of peaceful protests that never turn out peaceful.

This was one of the many subject discussed by the president during a talk with journalists accredited to Government House.

Regarding events during the recent protests organized by opposition sectors, the president asked the journalists if any wise person would believe that such actions favor democracy. He reiterated that the link between mobilization and violence is [word indistinct], and this was proven once again in the last 2 days.

Continuing with the same subject, he was asked his opinion of the warning by Cardinal Juan FRancisco FResno to the organizers of the mobilizations, recommeding that they reject violence and not join the destructive terrorism.

Pinochet answered that since the call of the [word indistinct] appeared, it was known that it would lead to violence and terrorism. And, he said, this is the result of the influence exerted by Marxism on opposition sectors. Therefore Cardinal Fresno's opinion shows a contradiction between the majority and those who seek violence.

The cardinal has made a wise and necessary warning, he said, in keeping the government's principles in such [word indistinct] circumstances.

Asked about the university crisis, the president spoke about several aspects of the subject. Regarding the possibility of closing down some colleges or of expelling students, he said that the violent acts that took place in the university demonstrate they are part of a coldly planned strategy. He added that this strategy used the students for political purposes, and a university that is subject to such influences is not a true university.

Questioned by our radio station about the troubles affecting the students who really want to study and who see their school term shorted by the many class suspensions, Pinochet said that those students must not assume a passive attitude before violence. That position in the face of pressure of political violence can be comfortable he said, but it harms them and the university. I ask them to understand that violence in the universities is promoted by a few political activists who do not want to accept any attitude or position different from their own.

He added that each day that these monorities are allowed to impose their unreasonable goals is one more day lost for the students' rights to progress and build their own future.

Regarding terrorism, he reiterated that each Chilean must be aware of this problem and adopt a define position since [words indistinct] there are groups which call themselves democratic but carry out their actions in conjuction with the terrorists.

As regarding the recently created Human Rights Commission, he explained that it was set up a contribution to the validity of these rights, and it is a decision in keeping with the government's traditional attitude of respect for the people.

Finally, and in face of the attitude of those who affirm that the president's main interest is to perpetuate himself in power, he categorically said their own desire to reach power is so great that it does not allow them to be objective or to evaluate things seriously.

MINISTRY REJECTS ALLEGED FRG, U.S. STATEMENTS

PY042030 Santiago Domestic Service in Spanish 1700 GMT 4 Jul 86

[Text] The Chilean Foreign Ministry has labeled comments by the FRG deputy minister of foreign affairs about the national situation and the violence conducted by extremist elements as insolent and unfitting. These comments were made by the Foreign Ministry spokesman Pablo Valdes.

[Begin Valdes recording] So far, all we have is a press report, and we cannot react on the basis of that kind of information. We have asked our ambassador in Bonn to confirm at the FRG Ministry of Foreign Affairs the veracity of this report.

I would like to say, however, that if the report is true, we would consider it insolent and unfitting because it reveals total ignorance of the real situation in our country. [end recording]

Regarding the statement by the U.S. State Department, the spokesman said that the Chilean Government has already taken the necessary steps to identify the people responsible for the violence that occurred in the last few days in the country.

[Begin Valdes recording] The U.S. State Department statement indicates that we are going to identify the people responsible for the events. This is why the government has asked the courts to investigate this case. It has come to our attention, however, that the U.S. State Department statement does not establish the direct relationship between the calls for peaceful protest and the violence caused by the demonstrators who responded to the calls. The State Department statement also refers to the restrictions imposed on some Chilean radio stations but does not mention that these radio stations broadcast distorted news, and that this is why the government imposed the measures. [end recording]

Pablo Valdes also said that the Human Rights Commission, which advises the Interior Ministry, will cooperate to clarify the violent acts carried out by extremists. Valdes also said that instructions have already been given to the Chilean embassies in the FRG and the United States to confirm and get more details on press reports related to the statements.

UNIDENTIFIED GROUP ATTACKS POLICE BARRACKS

PY050315 Paris AFP in Spanish 0259 GMT 5 Jul 86

[Text] Santiago, 4 Jul (AFP) -- An unidentified armed commando group tonight attacked a Carabineros barracks, detonating explosives and firing bursts of machinegun fire, but the attack was repelled by security forces, police sources have reported.

According to early reports, a police officer was wounded and one subversive, who was wounded, escaped and sought refuge in a residence near the Bilbao Alto barracks in the fashionable Las Condes district, in the eastern part of Santiago, where he is surrounded by the police.

2-DAY STRIKE ENDS, DEATHS, VIOLENCE REPORTED

PY040353 Paris AFP in Spanish 0333 GMT 4 Jul 86

[Text] Santiago, 3 Jul (AFP) -- The death toll rose to six tonight at the end of the 2-day stoppage called by the National Civic Assembly [ANC] against the 12-year-old Chilean military regime. According to police sources, the latest victims were 19-year-old student Ernesto Igor Rios Cespedes, who was fatally shot in the forehead in the La Legua shantytown; 19-year-old Ruben Alejandro Contreras Grandon, who was shot in the left side of the chest -- at the Americo Vespucio traffic circle, on Vicuna Mackenna Avenue. Another person killed today was 20-year-old Francisco Lopez Zuniga, who was shot in the stomach in the Conchali district.

The following people died yesterday on the first day of the stoppage: 13-year-old Nadia Fuentes Silva, 24-year-old accountant Boris Vera Tapia, and 21-year-old worker Ivan Aqueveque Antileo.

Carabineros have reported that 36 people were shot, 600 were detained, and there were 75 bomb attacks during the 2-day stoppage.

As midnight approached, partial blackouts were observed in several suburbs of Santiago. The causes of the outages are not known.

Carabineros Break Up Rally

PY031804 Paris AFP in Spanish 1743 GMT 3 Jul 86

[Text] Santiago, 3 Jul (AFP) -- According to eyewitnesses, at least 12 demonstrators were detained today at noon in the downtown area of Santiago when Carabineros stopped a street rally that was being organized by members of the opposition Civic Assembly. Claudio Huepe, a Christian Democratic leader, and Guillermo Torres, a journalist, were among those who were detained.

The incident occurred when approximately 50 demonstrators grouped in front of the Metropolitan Cathedral, located in the capital's main plaza, to sing the national anthem.

The rally was a part of the actions that have been programmed by the Civic Assembly within the framework of the 2-day national strike that started yesterday to request a return to democracy. Carabineros stopped the rally using tear gas and water cannons.

Three persons died and more than 20 were injured in this capital during incidents that occurred on 2 July.

FRG Television Crew Attacked

PY040420 Buenos Aires TELAM in Spanish 0349 GMT 4 Jul 86

[Text] Santiago, 3 Jul (TELAM - DPA) -- A soldier shot buckshot at a car carrying the crew of the ZDF Television Network of the FRG in a suburban neighborhood of Santiago and the driver sustained several injuries, according to the members of the TV crew.

Journalist Rolf Pflucke, who belongs to the ZDF team, explained that when the crew boarded the car this afternoon after filming for 10 minutes in La Victoria neighborhood one of the soldiers deployed in the area raised his shotgun and fired several rounds of buckshot at the vehicle.

Pflucke said that some pellets hit the driver in one eye, in his lips, and in one arm. He added that the driver also lost a tooth, but that the rest of the group -- a sound technician and the cameraman -- were not hurt. He noted that the car was damaged by the buckshot.

Pflucke said that they had been authorized to film by the officer in charge of the group, who was very kind to them. The ZDF team has been covering since yesterday a 48-hour general stoppage called by opposition sectors against the government of General Aususto Pinochet.

Army Denies Burning Youths

PY031557 Madrid EFE in Spanish 0244 GMP 3 Jul 86

[Text] Santiago, 2 Jul (EFE) -- The Chilean Army tonight issued a communique denying reports that military troops had caused serious burns to two students. The Army adds that it "categorically condemms events of this nature." It also regrets the hastiness with which the false accusation has been disseminated. The communique concludes by saying that "the appropriate authorities have been informed of these events for the adoption of the appropriate legal action."

The report, which was denied tonight by the Army, was then confirmed this morning to EFE by Andres Dominguez, secretary of the Chilean Human Rights Commission. Dominguez reported that two young students were sprayed with fuel and then set on fire by members of the military. Dominguez added that the event took place on General Valazquez Avenue in western Santiago near the Jesus Obrero Parish.

According to the report, which has now been denied by the military, the two young students, after being burned, were wrapped in a blanket and taken as detainees to an unidentified place. The victims were identified as Rodrigo Rojas de Negri, 19 years old, and Carmen Quintana Arancibia, 18.

A member of the church has told EFE that a jacket belonging to one of the victims is at the Jesus Obrero Parish, and that proof of the fire can be observed on the jacket.

Santiago Domestic Service in Spanish at 1100 GMT on 3 July 1986 adds the following report:

The Interior Ministry has asked the Santiago Appellate Court to designate a judge to investigate the incident in which USACH [Santiago University] students Rodrigo Andres Rojas de Negri, 22, and Carmen Gloria Quintana Arancibia, 19, sustained serious burns]

Burned Student Dies

PY070022 Madrid EFE in Spanish 2203 GMT 6 Jul 86

[Excerpt] Santiago, Chile 6 Jul (EFE) -- Rodrigo Rojas de Negri, 22 [as received], one of the two youths who was seriously burned on 2 July on the first day of the strike against the Chilean military regime, died this afternoon in Santiago.

EFE confirmed this report at the Central Hospital First Aid Medical Center, where the youth was taken with a 22-year-old female university student who also was burnt.

Government Radio Reports Events

PY032322 Santiago Domestic Service in Spanish 1700 GMT 3 Jul 86

[Editorial Report] Santiago Chile Domestic Service in Spanish in its regular 1700 GMT newscast on 3 July reports on the status of the 2-day strike called by the National Civic Assembly [ANC] for 2-3 July.

The announcer begins by reporting that after touring many districts of the capital this morning, Major General Osvaldo Hernandez, intendant of the metropolitan region, "described the situation in Santiago as normal." He said: "The people must be aware of the consequences of bringing the country to a stop."

In a recorded statement, Gen Hernandez said: "I believe activities are virtually normal in the downtown area."

Asked whether the government will take new measures to prevent outrages and damage to private property, Gen Hernandez said: "No. There are standard, planned measures that are to be enforced in these cases."

Gen Hernandez also voices his deep regret for acts, like those that occurred yesterday, which are painful to all Chileans. He says: "Well, I believe the only thing we can say is that we regret the disruption of the country's normal activities."

During the same newscast, Chilean railway officials report that train services have returned to normal.

Transportation offficial Carlos Roman this morning inspected Santiago streets and notes that the number of buses in circulation had decreased because of roadblocks, barricades, and threats. Roman notes, however, "that 60 percent of the buses are operating."

Bus owners note that there was a 50 percent reduction in bus services yesterday. THey say these services will improve today.

The newscast reports on a communique issued by the National Electric Power, Inc. [Endesa] noting that "special teams are working to repair the damage caused last night by bomb blasts, which provoked power outages on the streets and in private houses in Santiago." The Endesa communique adds that "power will be fully restored in the next few hours."

The newscast also carries a report on acts of looting during the blackout, which resulted in the burning of some shops. It adds that "no less than 20 bomb attacks took place in the metropolitan region." It notes that during the nearly 1-hour blackout, antisocial individuals attacked small shops in the southern districts of the capital.

Commenting on the looting of shops in the San Miguel neighborhood, the announcer says this is "a clear example of the base nature of these antisocial individuals."

Television Reports Vandalism

PY040327 Santiago Television Service in Spanish 0030 GMT 4 Jul 86

[Excerpts] The latest acts of vandalism promoted by political activists have resulted in the destruction of public property, attacks on public buses, and the looting of nine stores.

At about 2100 a power outage began in Santiago but the city remained calm. As we continue driving, we can observe that the streets are dark, and as it becomes more evident that the protest has failed, the number of violent actions is increasing. The objective of the perpetrators is to intimidate the population. Under cover of darkness late in the night, criminal groups unleash their support for the protest. At least nine small neighborhood stores were destroyed and looted. Not satisfied with the looting, some criminals have decided to burn down a small poultry store on Pio XXII Avenue in the San Miguel district.

This afternoon, we visited the Santiago suburbs which, despite the destructive activities of small groups, remain calm. Public transportation was normal on the main avenues, stores were open, but the destruction of a bust of General O'Higgins was filmed by our reporters. As a result of shootouts and other actions provoked by agitators in the last few hours, 27 people were wounded, including many minors.

Strike Leaders Ordered Arrested

PY040119 Santiago Domestic Service in Spanish 2300 GMT 3 Jul 86

[Excerpt] Judge German Valenzuela Erazo, who is hearing the charges filed by the Interior Ministry against the promoters of the 2-3 July stoppage, has issued arrest warrants against 17 leaders of the National Civic Assembly [ANC]. The ANC leaders, including ANC President Juan Luis Gonzalez, were charged with having violated seven articles of the State Security Law. It is believed that the arrest warrants issued by Judge Valenzuela will be promptly served by officers of the Investigative Police.

CAUCE, ANALISIS Under Scrutiny

PY031725 Santiago Radio Chilena in Spanish 1604 GMT 3 Jul 86

[Excerpt] Early this afternoon, the government will submit to the courts two demands against CAUCE and ANALISIS magazines for alleged violations of the national state security. This has been reported by Interior Ministry Legal Adviser Ambrosio Rodriguez.

The lawyer said that demands will be issued against the CAUCE magazine reporter who held a clandestine interview with the MIR [Movement of the Revolutionary Left] board, which is underground. This action will be taken because it is believed that this article promotes and praises terrorist actions.

Rodriguez said that demands will be issued also against the director and some journalists and columnists of ANALISIS magazine. He said that in 50 articles that have been published since January, ANALISIS magazine has constantly violated the law by slandering the president, promoting violent activities, and calling people to disavow government authorities. It has also attacked the Armed Forces and has urged its members to disobey the orders of their superiors.

Organizers Appoint 'Alternate' Board

PY040328 Madrid EFE in Spanish 2124 GMT 3 Jul 86

[By Luis S. Saavedra]

[Excerpts] Santiago, 3 Jul (EFE) -- The National Civic Assembly (ANC) today appointed an "alternate" board on the second day of a general stoppage that has already left 3 dead, approximately 35 injured, and a yet undetermined number of detainees.

The new ANC board members will take office if a court upholds the charges filed by the government of President Augusto Pinochet against the 17 current ANC members.

An ANC leader has announced to EFE the appointment of an executive committee consisting of 10 national leaders and led by Osvaldo Verdugo, the top leader of the Chilean Teachers Association.

ANC: Strike 'Complete Success'

PY060142 Madrid EFE in Spanish 0315 GMT 4 Jul 86

[Text] Santiago, 4 Jul (EFE) -- The president of the National Civic Assembly [ANC], Dr Juan Luis Gonzalez, reiterated tonight that the 48-hour stoppage against the Chilean military government was "a complete success." In a statement from the hideout where he is staying to escape the court-issued arrest order, Dr Gonzalez rejected the charges to government leveled at the ANC. Noting that the whole country has in recent days witnessed bloody incidents, the ANC head said "the government is the greatest practicioner of violence today."

He then referred to the six people who were killed by gunfire, the people who were wounded in Santiago during the strike, the youths who were burned and then abandoned, and the three people who had allegedly commited suicide under mysterious circumstances a few days before the stoppage.

He asserted that the ANC and the social and political forces supporting it have chosen to make themselves heard through peaceful means. If the government wanted to listen to the people's voice, Dr Gonzalez said, it should take the first steps to comply with their demands, which can be summed up as the immediate restoration of democracy.

"The road has been laid out," Dr Gonzalez said adding that the ANC will not fall for provocations, and "will continue to struggle until the requests made in the Chile Demands document, which reflects the nation's most deeply felt aspirations, are heeded."

In addition to ordering the arrest of Dr Juan Iuis Gonzalez, the Court has ordered the arrest of 16 other ANC leaders. Therefore, this conglomerate of opposition social organizations has designated an "alternative" directorate headed by Osvaldo Verdugo, president of the National Teachers College.

ANC Appeals to Armed Forces

PY050320 Madrid EFE in Spanish 0108 GMT 4 Jul 86

[Text] Santiago, 3 Jul (EFE) -- The recently elected Coordinator of the National Civic Assembly [ANC], Osvaldo Verdugo, today reiterated an appeal to the Chilean Armed Forces "to think over the role they are playing in order to determine whether they want to continue being accomplices to a regime of this nature."

Making a partial report on the second day of the stoppage called by the ANC, Verdugo, who is the president of the Teachers College of Chile, pointed out that "Today's results are like those of yesterday: a total success, with greater number of Chileans each time joining the demand for democracy." In his message to the Armed Forces, the ANC Coordinator said "We do not want a militarist or a violent solution, because we are civilains, and will make our best effort to convince the Armed Forces of the role they must play, and of the historical responsibility they have for all that is now happening in Chile."

"As civilians, our weapons are rationality, dialogue, cherished values, and the call for peace and justice, and we beleive that these are the weapons of all the people of Chile," the message added.

Speaking on behalf of the ANC Council, Verdugo said that the stoppage that ends tonight "marks the completion of the first stage of the actions promised in the Chile Demands document on behalf of all Chileans."

The ANC, in a public statement, noted that "for 2 days, the majority of Chileans supported the legitimate peaceful demonstrations against which the regime mounted a repression as its only answer to the clamor of the people."

The ANC communique says that "the action of the military, police, and security forces left people dead and wounded, and hundreds of others arrested. We deplore all this and demand an investigation so that the courts can find the culprits." The ANC says that "in no way can those who demonstrated against the government in a peaceful social mobilization be made accountable for such actions."

Regarding the clampdown on the information services of opposition radio stations, the ANC said that "its purpose was to hide the size of the popular demonstrations and the savagery of the repression."

"The ANC," Verdugo asserted, "will continue to resort to peaceful methods and to improve its actions so that all Chileans can be reassured in their hopes that democracy will return."

According to what another ANC leader told EFE, "This general stoppage is not only event in the timetable for mobilization in July," and the next action, planned for late July, is already being discussed by the ANC.

As night falls on this second and last day of the first general strike against the Pinochet regime, reports of new clashes in the poor neighborhoods of Santiago are coming in, as the number of buses in downtown Santiago begins to diminish noticeably.

The promoters of the strike have asked the people to turn off the lights of their homes, to bang pans and pots, and to light candles on the sidewalks tonight.

Santiago Returns to 'Normal'

PY042304 Madrid EFE in Spanish 1444 GMT 4 Jul 86

[By Luis S. Saavedra]

[Excerpt] Santiago, 4 Jul (EFE) -- After a 2-day stoppage against the military regime of General Augusto Pinochet, remains of barricades and bonfires were scattered on the streets of Santiago early this morning, and unofficial reports list 7 dead, more than 40 people wounded by gunfire, and about 300 people arrested.

Local newspapers reported that the deaths of seven people have been confirmed but the identity of one of them has not been determined.

Sources from human rights organizations and the press office of the National Civic Assembly reported that in Santiago at least 40 people have been wounded by gunfire, half of them seriously. The same sources reported that more than 300 people have been arrested in Santiago and about 700 in the entire country.

This capital city is slowly returning to normal today, while the radio stations are calling on municipal services to clear the many streets that are blocked by the remains of barricades and bonfires in Santiago.

The poor neighborhoods that make up the "belt of misery" of Santiago in the southern, western, and northern zones have been affected most, and traffic through them is difficult.

Passenger transportation in the downtown area, which was maintained at 10 to 30 percent of normal during the 2-day stoppage, is again available today, but it continues to be scarce in the poor neighborhoods.

MILITARY, CARABINEROS RAID SANTIAGO DISTRICT

PY062242 Paris AFP in Spanish 0114 GMT 6 Jul 86

[Text] Santiago, 5 Jul (AFP) -- Police sources have reported that more than 800 people were held in detention for several hours today in Santiago when the military forces and the Carabineros raided the Cuatro Alamos district. The sources stated that during the massive raid, 812 adult males were taken out of apartment buildings in the Cuatro Alamos district and interrogated at a soccer stadium while a heavy fog covered this western area of Santiago. Most of the detainees were released. However, 33 remain under arrest and have been taken to police precincts to be placed at the disposal of the courts for committing different crimes, the sources stated.

The new raid, which follows other similar actions conducted over the past 2 months, was staged 2 days after the national stoppage sponsored by the opposition trade unions of the National Civic Assembly. The stoppage left a toll of 6 deaths and 600 detainees. The authorities have stated that the goal of the house-to-house raids is to detect outbreaks of crime and subversion against the government of General Augusto Pinochet.

According to reports gathered by the Chilean Human Rights Commission, in previous raids soldiers and policemen checked 35 workers districts in Santiago and other cities, detaining more than 15,000 people who later regained their freedom. Cuatro Alamos is a district mainly made up of apartment buildings and inhabited by more than 500 middle-class families in the industrial Maipu area of western Santiago.

M-19 INTERRUPTS TV COVERAGE OF POPE'S VISIT

PA030450 Paris AFP in Spanish 0207 GMT 3 Jul 86

[Text] Bogota, 2 Jul (AFP) — Colombian left-wing M-19 guerrillas twice interrupted the television transmission of a huge meeting that Pope John Paul II had today with Bogota youths.

The first interference happened at 2012 local time (0112 GMT Thursday), when the 80,000 attending the event at the Campin Stadium were singing a ballad the pope had composed when he was a youth.

Karol Wojtyla himself was singing the song, smiling and animated by the warm signs of affection of the youths.

The second clandestine transmission happened 12 minutes later. However, on these two occasions the message from the insurgent organization, addressed to the pope, was heard with little clarity and was very weak.

A male voice, which attributed the action to the M-19, said: "The new nation rising today to govern welcomes you and invites you to Christian thinking about the unjust reality of Latin America and the right our people have to conquer dignity."

The M-19, the most active of the existing guerrilla groups in Colombia, had promised to maintain a truce during the pope's visit.

On Monday, while flying to Bogota, the pope had ruled out participating in a reconciliation between the government and the subversives.

During his speech today at the assembly at Campin stadium, the pope requested the abandonment of violence and the armed struggle. Pope John Paul II said: "I am telling you at the top of my voice from here and also to you (the M-19 youth), you may have chosen the path of the guerrillas or you may have solidarity with it: avoid the path of hatred and of death, and convert to the cause of reconciliation and peace."

BOMB EXPLODES NEAR PERUVIAN CONSULATE IN CALI

PA031516 Bogota EL TIEMPO in Spanish 27 Jun 86 p 2-A

[Text] Cali, 26 Jun — A weak bomb exploded last night near the building where the Peruvian Consulate has its offices, while another was defused by the police after it was discovered in the course of a routine inspection at Puerto Mallarino.

The official report says the bomb went off in downtown Cali near the Colombia Building, which houses the Peruvian consulate, but it caused no property damage or personal injuries.

Meanwhile, a powerful bomb was defused by the police from the 9th Precinct of Puerto Mallarino.

M-19 URGES 'NATIONAL RECONCILIATION' FORMULAS

PA051759 Bogota EL TIEMPO in Spanish 2 Jul 86 p 7-D

[Text] The M-19 has confirmed that its "special urban commandos had Government Minister Jaime Castro as their military objective" [in an attack on 17 June], blaming Castro for the failure of the peace process in Colombia.

In a "message-invitation" to newsmen to study and propose a negotiated solution to the nation, the terrorist organization notes that the government minister is one of the "visible heads of the official extermination [arrasamiento] policy."

As can be recalled, Minister Castro was the target of an assassination attempt on 17 June by an M-19 commando on 5th and 32d Streets while travelling to Narino Palace to attend a meeting of the Cabinet.

Miraculously, Castro escaped unhurt from the attack, in which the driver of the vehicle carrying his official escort was wounded. Following the attack, Castro said that he had been "a victim of the M-19's insane activities."

The M-19 also adds in its communique that "Mrs Cristina Martan de Rosero, a wife and mother, was linked to the movement by family and emotional ties only."

Cristina Martan, wife of composer and musician Raul Rosero, was killed during the incidents in which Alvaro Fayad Delgado, the M-19's top leader, was also killed. Security agents caught the subversive leader by surprise in the apartment of the Rosero-Martan couple in the Quinta Paredes district of Bogota and shot him to death. Mrs Rosero also died in this incident.

The message, sent to newswoman Maria Teresa Herran and signed by a female guerrilla named "Andrea Gomez," points out that "in the eyes of the public the Armed Forces have borne the brunt of the responsibility, in which indeed they had a share, but which fundamentally falls on the government and more particularly on its civilian and military representatives."

After speculating about the fate met by those who signed the cease-fire agreement on behalf of the guerrilla organizations, the note states that "what we tried to do yesterday is unimportant now because, by failing to achieve this national goal, which was peace, we, the protagonists, lost our legitimacy."

The M-19 asserts that the nation must urgently assume a leading role and exercise its right to choose solutions, to grant mandates, or to define leaderships, calling on journalists "to join the efforts to find formulas that will lead to new paths toward national reconciliation."

In the communique, the terrorist organization refers to the bloody incidents at the Justice Palace and the obstacles to the lifting of the state of siege. It adds that "the M-19 agrees to face the risk posed by democratic decisions."

EMBASSIES BOMBED IN LIMA: APRA MEMBER MURDERED

PY050219 Madrid EFE in Spanish 0142 GMT 5 Jul 86

[Text] Lima, 4 Jul (ESE) -- The PRC and Italian Embassies, as well as the Peruvian-Soviet Cultural Institute, were bombed today by terrorists in Lima, police sources have reported.

These attacks, which caused damage, were part of at least five bomb attacks that occurred today in several districts of Lima.

Bombs thrown from passing cars exploded at the front gate of the embassies -- located in the San Isidro district -- and at the Peruvian-Soviet Cultural Institute.

Other explosions occurred on the fourth floor of the Economy and Finance Ministry building in downtown Lima, and at the Aeroperu airline office in the Miraflores district.

It has been reported that another bomb planted on the 10th floor of the Economy and Finance Ministry was defused.

Abel Bonet, a member of the ruling American Popular Revolutionary Alliance Party was murdered today in Huancayo by alleged Shining Party members; and local APRA Secretary General Aquiles Hermosa was wounded in Puno, 1,315 km southeast of Lima.

USSR'S KOMPLEKTOV ON INTERNATIONAL ISSUES

PY031355 Madrid EFE in Spanish 0151 GMT 3 Jul 86

[Excerpts] Lima, 2 Jul (EFE) -- Viktor Komplektov, Soviet deputy minister of foreign affairs, today stated in Lima that his country is in favor of a second round of talks between the Soviet Union and the United States to discuss the disarmament issue.

In a news conference, Komplektov said that there is a solid base of mutual understanding between his country and Peru to expand the existing trade in different fields.

Regarding the Central American crisis, Komplektov, who was welcomed by Peruvian Deputy Foreign Minister Hubert Wieland and the Soviet ambassador to Lima Anatoliy Filatov, stated that it is a "difficult and dangerous" situation and that all Latin American countries must cooperate in the pacification of the area because it "is a common problem."

Ends Visit

PY070242 Paris AFP in Spanish 1730 GMT 6 Jul 86

[Text] Lima, 6 Jul (AFP) -- Viktor Komplektov, Soviet deputy minister of foreign affairs, said in Lima today that the Soviet Union and Peru share similar viewpoints on world issues and that we observed that we share similar positions in different international forums.

The Soviet deputy foreign minister, who today ended an official 3-day visit to Peru when he returned to his country, said that the exchange of ideas on international issues and the development of bilateral relations with Peruvian officials was detailed and very fruitful. He added that the talks encompassed aspects of mutual interest.

Regarding the Central American issue, Komplektov stated that his government understands the concern of the government and people of Peru over the Central American problem and that it sees with satisfaction the efforts that are being made by the Contadora Group and the Contadora Support Group to achieve peace in the area.

Commenting on the bilateral issues that were discussed, he noted the agreement of the two governments to continue promoting the development of bilateral cooperation at different levels.

Komplektov said that there are great possibilities for the smooth development of bilateral trade because the markets of our two countries can complement each other. The high-ranking Soviet official, who believes that his visit to Lima was highly positive, declined to discuss other issues before boarding the Aeroflot plane that would take him back to Moscow with a stop in Havana, Cuba.

WAR MINISTER FLORES DENIES COUP POSSIBILITY WIRE

PY041840 Lima Panamericana Television Network in Spanish 0300 GMT 4 Jul 86

[Text] War Minister General Jorge Flores Torres today clarified the Armed Forces actions in Lurigancho Prison. He also categorically denied the possibility of a coup in Peru. He stated that the Armed Forces respect the overwhelming majority that elected the president.

War Minister Gen Jorge Flores Torres today indicated that the Armed Forces Joint Command has already submitted a report to President Alan Garcia on the events that occurred in Lurigancho Prison, where over 100 inmates involved in the recent riots were executed.

Gen Flores Torres also stated that the Armed Forces respect the Constitution and the overwhelming majority that elected President Alan Garcia. He therefore ruled out the possibility of a military coup. The minister made this statement during an exclusive interview with Monica Denta:

[Begin recording] [Denta] Mr Minister, you heard the statement Interior Minister Abel Salinas made before the Permanent Commission. Regarding the unfortunate incidents in the prisons, especially in Lurigancho Prison, Salines stated that he did not have any further information becaue the Armed Forces Joint Command has the complete information. What can you tell us about the military operation, about the report the Armed Forces Joint Command submitted?

[Flores Torres] I agree with what the interior minister said: The military operation to recover the principle of authority [words indistinct] was in the hands of the Armed Forces Joint Command. In this regard, the Armed Forces Joint Command, which is a collegiate body directly under the president, has already submitted a report to the president so that it can then be submitted to the Permanent Commission, which requested the report.

[Denta] The president of the Permanent Commission, Luis Alberto Sanchez, has announced that the Commission on 7 July will have the report including all the details of the operation conducted by the Armed Forces Joint Command chronologically.

[Flores Torres] That is right. The Permanent Commission will have all the information available and it will then decide when to disclose the full information to the country on how the operation was conducted. It will also decide, in accordance with the investigation being conducted [words indistinct], on the sanctions to be established on the people responsible for the events that occurred in Lurigancho.

[Denta] In the meantime, Mr Minister, is the military court reviewing the case of almost 100 Republican Guards who reportedly were involved in this murder, as reported by the president himself [words indistinct]?

[Flores Torres] That is correct. This is a typical case falling under the military court, because the guards were carrying a special mission based on an order. The Republican Guardsmen who committed the excesses deviated from their orders, and they must be severely punished.

[Denta] Mr Minister, the interior minister also stated that after the Council of Ministers authorized the Armed Forces to reestablish order in the three prisons the Republican Guard was put under the orders of the Armed Forces and a general who with his staff were in charge of conducting this operation. There have been reports that the Army also participated in the Lurigancho Prison operation. What can you tell us about this?

[Flores Torres] The statement the interior minister made is correct. The government ordered the Armed Forces Joint Command to conduct the operation. It should be pointed out that the Armed Forces Joint Command gave orders which were fulfilled at different levels. The Joint Command [words indistinct] an area was assigned which was under the jurisdiction of a general and under him there were the other elements that actually carried out the orders. In this particular case, the Republican Guard was the unit with the mission of actually taking over the prison wing. The Army supported the Republican Guard during the operation by opening a hole in the wall. The Republican Guard then went into action. This was a normal police operation conducted at that level. Only if the police are not able to carry out an operation on their own, like in the case of this riot, then the military have to act, like in the the case of El Fronton, where the Republican Guard was not able to carry out its mission and the Navy had to help. In the case of Lurigancho, practically all the operation and capture of some inmates who left the prison's industrial wing were made by the Republican Guard and the excesses were committed by that unit. This is not new, the president himself said that.

The general in charge of the area gave orders to carry out a mission. One order was given to the Republican Guard and another to the Army in case the Republican Guard was not able to fulfill its mission. Therefore, we must evaluate the excesses committed that resulted from an order given at a low level. We at this time do not know what kind of psychological pressures existed on the guards to behave in the manner that they did, going beyond the orders they were given.

[Denta] Does this mean that the Republican guardsmen are the ones responsible for the excesses committed and not the Army officer who gave the order for the Republican Guards to act?

[Flores Torres] No, I would not say that because there is a commission investigating this case and it must determine at what level the responsibility for this excess lies, in accordance with the orders given. I would like to reiterate that a commission is investigating this incident and in addition to that there is also a military court that will interrogate all the men involved in this operation to establish responsibilities and the appropriate punishment, in accordance with the responsibility of each individual.

[Denta] As a member of the cabinet, how do you see the attitude of the opposition's demands, especially from the Popular Christian Party, the Popular Action, and the United Left, who say that the whole cabinet should resign, including the interior minister and the president of the Armed Forces Joint Command? How do you view this attitude of the opposition?

[Flores Torres] This is a normal reaction from the opposition. Every opposition member may give his opinion. In the case of congressional members, their opinion must be respectable. In this particular case, we must adhere strictly to the facts. So far we have not been able to find any responsibility in the Council of Ministers or with the president in this case. The excesses were committed at a lower level. As I have already said, we should find out if psychological pressures existed and why the excesses were committed. I am not trying to justify the excesses, because [words indistinct]. I am only trying to adopt a neutral position. The excesses were committed at a lower level and the punishment must be established at that level. There are other types of responsibilities at the higher level, in accordancce with the chain of command.

[Denta] As a result of this regrettable incident, there were rumors aboard, especially in Argentina, about the possibility of a rupture of the institutional order in our country. Can you tell us your opinion about this rumor, which has been denied but which created some concern among the population?

[Flores Torres] Yes indeed, I read some reports about it. I was surprised and annoyed because a military coup could not possibly take place now or in the future. The Armed Forces have shown for the last 6 years that they respect the Constitution. Regarding the Army, which is under my jurisdiction, I would like to say emphatically that in addition to respect for the Constitution, we also respect the overwhelming majority that elected the president. We are not considering a coup. We are seeking to strengthen this democracy because this is what Peru needs to come out of the current crisis.

[Denta] Then the levels of communication, respect, and support for the president are excellent?

[Flores Torres] Yes, speaking on behalf of the Army and the Armed Forces, I would say that the level of communications has been excellent ever since the president came to power. Communications are excellent because there is discipline within the military institutions. We obey with discipline the constitutional regulations. The supreme commander is the constitutional president, and therefore we owe our loyalty to him. We in the Army particularly see with admiration and great respect the leadership, energy, dynamism, and enthusiasm shown by the president in support of the poor majorities, which traditionally have been forgotten. We value the president's concern for the poor. The Army has helped the poor in the areas where Army garrisons are located.

Therefore, there are common ideals between the president and the Army and this is why there is comradeship between the president and the Army. We have a strong desire to cooperate as much as possible with the president so that he can maintain a good government and we can help the poor sectors through civic actions for development and build a better Peru.

[Denta] To conclude this broad explanation, we would like you to either confirm or deny something that is being said about the upcoming July independence military parade. Is the parade going to be cancelled for security reasons?

[Flores Torres] There are no plans to cancel the July military parade. Plans are proceding for the 29 July military parade, during which the power of the Armed Forces will be shown. This will be an occasion for the Peruvian people, for our youngsters to really see what we have to defend our territorial integrity and to feel proud that we have well-prepared Armed Forces. [end recording]

GARCIA APPOINTS BLANCAS TO JUSTICE MINISTRY

PY041532 Paris AFP in Spanish 1508 GMT 4 Jul 86

[Excerpt] Lima, 4 Jul (AFP) -- It was officially reported here today that Peruvian President Alan Garcia has placed Carlos Blancas Bustamante in charge of the Justice Ministry. Carlos Blancas, a Christian Democratic leader, is also the labor minister.

Former Justice Minister Luis Gonzales Posada was forced to resign 4 days ago as a result of the killing of over 100 terrorists who prompted the riots at Lurigancho Prison.

Political circles believe that Garcia has put Blancas in charge of the Justice Ministry and has postponed a cabinet shuffle until 28 July, when the Social Democratic Government will commemorate its first anniversary. Garcia is then expected to implement cabinet changes.

INTERIOR MINISTER APPEARS BEFORE CONGRESS

PY031350 Lima Television Peruana in Spanish 0100 GMT 3 Jul 86

[Text] Interior Minister Abel Salinas appeared this afternoon before the Permanent Committee of Congress to explain the Interior Ministry's actions regarding the riots that occured in the Lima prisons.

The following is a report from congress:

[Begin recording by unidentified reporter] The Permanent Committee of Congress is meeting in the Congressional Library. This meeting is being chaired by Senator Luis Alboerto Sanchez. The Interior Minister Abel Salinas has submitted a brief report that lasted approximately 17 minutes. In this report he briefed the committee on the much publicised incidents that occurred in the Lima prisons on 18 and 19 June.

Deputy (Amadeo Diaz) then answered the interior minister in a long statement that was completely within the framework of the laws and constitution, and has demanded the resignation of the interior minister and the entire cabinet. Deputy Gustavo Espinoza Montecinos, of the Communist Party, which is part of the United Left, then repeated the demand. [end recording]

SALINAS DENIES RESIGNATION; REPORTS ON DRUG RAID

PY051529 Lima Radioprogramas del Peru in Spanish 2320 GMT 4 Jul 86

[Excerpts] Interior Minister Abel Salinas has denied rumors that he plans to resign, pointing out that he had previously explained this issue in Congress. He also explained that the new director of the Republican Guard has not yet been appointed. The minister made these comments during a flag-raising ceremony at the Lima prefecture.

[Begin relay by Jorge Portugueses from Mobil Unit No 3 in San Isidro] [Portugueses] During a new conference Interior Minister Abel Salinas disclosed the results of the Condor-3 antidrug operation in the Amazon triangle, especially in the jungle areas of Ucgizas, Chillon, and Pampayacu, which are plagued by drug trafficking. The following is part of the news conference Minister Abel Salinas granted:

[Salinas] On the morning of 1 July, the special antidrug forces headed by Colonel Zarate raided the home of a very well-known drug trafficker known as Tigre, whose true identity has still not been established. The individuals inside Tigre's house -- fortress -- fled when they saw helicopters arrive, but the police still found two people inside the building: a guard and another person who was tied to a bed and showed clear signs of having been tortured.

According to statements by the tortured person, it was learned that Tigre's home had been attacked by another gorup of drug traffickers headed by an individual known as Machi, who is named Maximo Perez Salas. As a result, very little was found at Tigre's home since almost everything had been seized by the gang headed by Machi, who is very well known in the area.

After interrogating the tortured individual and his guard, the special forces learned that there was more to be found at Machi's stronghold in Paraiso. The government forces attacked Machi's premises in the evening. They arrived in helicopters and, after a heavy shoot-out, the drug traffickers fled, realizing they would be defeated.

Machi's stronghold covers an area of approximately 2,000 square meters surrounded by a concrete wall about 3 meters high. Here the special forces found approximately 2,000 kg of base paste, part of which was not yet solid, precluding transportation by helicopter.

Approximately 2 billion Peruvian soles were found on two individuals arrested during the operation. A total of 1,165 million soles were found in a seized aluminum speedboat. Another individual who was found in the same boat, Velazques Collantes, was found to be carrying 620 million Peruvian soles. In addition to Marcelino Allaga Germagui, the special forces found seven other persons, one of them identified, as we have already mentioned, as Velazques Collante, and a Colombian citizen identified as Soto Acosta. This once again proves the relationship the traffickers maintain.

Later, all of you will have a chance to see the weapons seized at his stronghold. The special forces found a total of 4 light machineguns; 20 submachinegun; 2 rockets that can be fired by light machineguns and that would have been deadly against helicopters if fired; 16 grenades; 13 semi-automatic carbines, of the type you see in films and which are capable of firing .30x.30-caliber ammunition, as well as their respective ammunition; approximately 10,000 cartridges of all calibers; and 32 shotguns that fire small caliber ammunition but can be deadly when fired at close range. [end relay]

FORMER REPUBLICAN GUARD LEADER REFUSES TO RETIRE

PY060157 Buenos Aires TELAM in Spanish 2230 GMT 5 Jul 86

[Text] Lima, 5 Jul (TELAM-ANSA) -- General Maximo Martinez Lira, who was removed from the post of Republican Guard Director by President Alan Garcia, refused today to go into retirement as ordered by the government after his dismissal from the post. President Garcia took this action upon learning that 100 rioting inmates had been killed by Republican guardsmen after they had surrendered.

Martinez Lira denounced the government's action before the courts as being ill-advised and illegal. In his request for a court injunction, he stated that he had neither resigned his post nor requested retirement.

In a resolution published in the Official Gazzette, the government announced that General Martinez Lira had resigned, and ordered his retirement after thanking him for the services he has rendered to the nation.

The general, however, objects to the resolution on the grounds that it does not conform to any legal provision. He charged that the government's arguments are utterly false and calls for the government to present evidence that he in fact resigned from his position as director of the Republican Guard.

PENITENTIARIES INSTITUTE DIRECTOR RESIGNS

PY060218 Madrid EFE in Spanish 1447 GMT 5 Jul 86

[Text] Lima, 5 Jul (EFE) -- National Institute of Penitientiaries Director Manuel Aquezolo confirmed today his irrevocable resignation in the wake of the bloody events that occurred last month in three prisons in Lima and El Callao, Lima's port.

Aquezolo confirmed his decision, stating that he tendered his resignation last Monday in solidarity with Justice Minister Luis Gonzalez Posada.

Gonzalez Posada resigned his post for "moral reasons," after the repression of the 19 June uprising in three Lima prisons of prisoners charged with terrorism. Three hundred people died in the uprising.

Manuel Aquezolo stated his resignation is now in the hands of President Alan Garcia.

With this resignation, three people have been affected by the events at the prisons. In addition to the justice minister and the director of the National Institute of Penitientiaries, the government dismissed Republican Guard Director General Maximo Martinez Lira.

President Alan Garcia held members of the Republican Guard responsible for executing more than 100 prisoners in Lima's Lurigancho prison after the prisoners surrendered.

The government has not yet determined who will replace the people who resigned, and it has just appointed Labor Minister Carlos Blancas to act as justice minister.

MILITARY REPORTS 31 SHINING PATH KILLED IN CLASH

PA061831 Paris AFP in Spanish 1747 GMT 6 Jul 86

[Excerpt] Lima, 6 Jul (AFP) -- The special military forces that were pursuing on Saturday a Shining Path column which was decimated following an attack on the Chungui (Ayacucho) counter-guerrilla base, have inflicted one of the worst defeats ever on the Shining Path group, leaving 31 dead and many wounded, military sources from the emergency area have reported.

At the same time, security measures were reinforced last night at the government's Pizarro Palace, with seven Army armored personnel carriers, and their respective military contingents, who took up positions inside and outside the building.

The "Linces," the anti-guerrilla military command, supported by two Air Force helicopter gunships were in pursuit yesterday of the Shining Path forces that on Friday attacked the Chungui base in La Mar Province, about 150 km southeast of Ayacucho, where they sustained 20 casualties and many wounded, whom they carried with them.

To these casualties must be added the 11 bodies found yesterday, Saturday, along the group's path along the wild Andean mountain range.

According to the source, the rebel group made up of some 100 armed persons -- mostly youths 20 to 25 years old -- was disbanded when it was attacked by the Army troops, and was forced to cross the Apurimac River in order to enter the desolate Andahuaylas mountain range, 750 km southeast of Lima.

SHINING PATH KILLS NAVY NCO IN REVENGE RAID

PY040343 Paris AFP in Spanish 2255 GMT 3 Jul 86

[Text] Lima, 3 Jul (AFP) -- The Peruvian police have reported that three Shining Path members today murdered a Navy noncommissioned officer and ran away after hanging a sign on the body saying: This is how the people's murderers die.

Noncommissioned Officer Juan Asto Alanya, 32, was attacked by two men and a woman as he left his home in a densely populated neighborhood in northern Lima. One of the attackers killed him with a machinegun burst, and the others placed the sign on himn before running away.

This attack, which must be added to the murder of a Civil Guard policeman yesterday, is considered by authorities as an act of revenge by the Maoist guerrillas after the death of more than 200 terrorists, who mutinied in three Lima prisons on 19 June.

When the prison riots started, President Alan Garcia ordered the Armed Forces to intervene in the prisons to control the riots. The repression had a tragic outcome, and is now being answered in a bloody manner by the terrorist groups, mainly the Shining Path, operating in Peru.

REGIONAL ELECTIONS HELD IN 'CALM AND ORDER'

PA070310 Paris AFP in Spanish 0208 GMT 7 Jul 86

[Text] Mexico City, 6 Jul (AFP) -- The regional elections held today in six states of Mexico were held in absolute calm and order, the Interior [Government] Secretariat announced tonight.

The elections for mayors, deputies, and governors were held in the states of northern Baja California, Campeche, Chihuahua, Durango, Michoacan, and Zacatecas.

The initial unofficial returns will begin to be released tonight by the parties in the race, although the final official returns will not be learned before the coming weekend.

The polling places were opened at 0800 and began to close at 1800 (midnight GMT) without any significant incidents reported.

At the same time, according to official reports, approximately 1,000 members of the National Action Party (PAN), the principal opposition party, demonstrated in the capital of the country under the slogan of "in defense of the vote."

PAN leader Pablo Emilio Madero told newsmen that the object of the march was "to demonstrate the will of the PAN members to defend respect for the vote" in today's elections.

In each election the PAN has systematically accused the government of falsifying the results to favor the ruling Institutional Revolutionary Party (PRI).

PAN Accuses PRI of Fraud

PA070028 Buenos Aires REUTER in Spanish 2018 GMT 6 Jul 86

[By Stephen Addison]

[Excerpt] Chihuahua, Mexico, 6 Jul (REUTER) -- Only 2 hours after voting began in the state elections today, the opposition rightist National Action Party (PAN) accused the government of committing shameless fraud at the ballot-receiving tables.

PAN reported that ballot boxes are being filled with votes favoring the government and that PAN poll representatives were forced to leave certain voting centers.

The ruling PRI also circulated leaflets with PAN symbols urging the people to abstain from voting, a spokesperson for the conservative organization said.

The PRI, which habitually rejects such charges, has issued no immediate reaction to the charges yet.

The city of Chihuahua was calm this morning. Only a handful of soldiers patrolled the almost deserted streets in trucks while a police helicopter monitored from the air.

In Ciudad Juarez, the largest city in the state, some witnesses said that light tanks were patrolling areas near certain ballot-receiving tables.

PAN leaders said that there was a sustained but not intense flow of voters to the polls, which leads to the conclusion that approximately half of the 1.3 million registered voters in the state will actually vote. A high turnout is considered to be a good sign for PAN.

SENATE SENDS PROTEST NOTES TO U.S. SENATORS

PA041724 Mexico City EXCELSIOR in Spanish 30 Jun 86 pp 1, 19

[By Aurelio Ramos M.]

[Text] The Mexican Senate has formally and strongly protested to the U.S. Senate as a result of U.S. Senator Dennis DeConcini's statement that a commission should be created to supervise elections in Mexico, a pretense that involves a risk of inflicting serious damage to relations between the two congresses and, consequently, to relations between the two nations.

Senate leader Antonio Riva Palacio sent protest messages to DeConcini and to Senate Majority Leader Robert Dole, whom he cautioned that it is up to the Mexicans only to pass judgment and decide on the elections system for electing their authorities.

DeConcini and Pete Wilson -- another U.S. senator -- signed a motion calling for the creation of such a commission to supervise Mexican elections. The following is the text of the telegram sent by Riva Palacio to Dole:

"With serious concern over the attempt to introduce a bill drafted by Senator DeConcini and cosponsored by Senator Pete Wilson, I am allowing myself the right to express to you that there is total rejection for any action aimed at approval by the Senate you lead of such a draft resolution.

"The Mexican election process is an exercise in soveeignty, an exercise that is the exclusive right of the Mexican people who are the only ones who can take action in this regard and pass judgment for the purpose of improving, rectifying, and improving this process.

"The resolution draft also implies an act of interventionism, against which we protest, and implies a complete lack of information about the Mexican election system and, especially, about the structure of the organization in charge of preparing and supervising the elections process -- the Federal Electoral Commission. All the registered political parties that participate legally in the election of Mexican authorities are represented on this commission.

"I would appreciate it if you, considering the protest and the rejection that has been stated, use the resources available to you to avoid an interventionist action that would harm the relations between the two congresses thus affecting relations between our two countries."

The two messages of the Mexican Senate leader were sent to the Mexican Ambassador to Washington Jorge Espinosa de los Reyes who immediately delivered them. Both letters were dated the day before yesterday but the Senate made them known yesterday. DeConcini made his proposal directly to the office of the Senate majority leader. It includes a request that it be urgently approved because on 6 July there will be elections in the states of Chihuahua, Michoacan, Durango, Zacatecas, and Baja California.

The protest note from Riva Palacio Lopez to DeConcini states:

"The draft implies, in addition to the pretense to intervene in domestic affairs that only Mexico has the right to resolve, a complete lack of information about the composition of the Federal Electoral Commission, the highest organization in charge of preparing, guiding, and supervising the process to elect the Mexican authorities. All the political parties legally registered in Mexico have representatives on this commission and it is they who form the Electoral Commission.

"In protesting, I reiterate to you that only Mexicans can pass judgment on their elections process to elect authorities in the framework of the democratic elections process which can be challenged only by those who have the sovereignty to establish it, that is, the Mexicans.

"We regret [your] attitude and hope not only that it will be rejected by the U.S. Senate but also that, justly understanding my position, the offensive draft resolution will be withdrawn."

Parties View DeConcini Proposal

PA051615 Mexico City EL DIA in Spanish 2 Jul 86 p 3

[Text] The Confederation of Mexican Workers, CTM; the Revolutionary Confederation of Workers and Peasants, CROC; and the Revolutionary Labor Confederation, COR, criticized yesterday the interventionist attitude of U.S. Senator Dennis DeConcini, who asked for the appointment of a commission in his country to monitor the upcoming elections in our country.

They termed as insolent the proposal of the U.S. congressman, adding that nationalistic Mexicans are strongly opposed to such an underhanded attitude of the Reagan administration, whose objective is to destablize the revolutionary institutions .

CTM Secretary Fidel Velazquez fully supported the strong protest of the Mexican Senate, while expressing that DeConcini's proposal is a systematic policy promoted by the U.S. Government that "no one should allow."

CROC leader Salvador Ramos said that the U.S. congressman's proposal is a provocation against our government, which will not make any difference among the majority of the population, nor will it alter either the peace of our community, or the electoral process, because our people are sufficently mature not to pay attention to his statements.

COR leader Angel Olivo Solis urged all revolutionary and nationalistic forces to unite to oppose any political action that could turn into an interventionist act.

Juan Jose Bremer, president of the Chamber of Deputies Foreign Relations Commission, said yesterday that Mexico's electoral process, its organizations, norms, and the system on which it is based are substantial parts of every nation's sovereignty.

Mexico has devised the organizations and elements to continue improving the electoral process, Bremer said, referring to DeConcini's proposal to monitor the country's elections.

He added that it is up to the political parties legally registered, to the citizens' organizations interested in Mexico's democracy, the Mexicans, in full exercise of their citizens's rights and duties, to contribute to the task of improving our democratic process.

Meanwhile, Deputy Jesus Murillo Karam called DeConcini's proposal absurd. It is the same as if the Mexican Congress were to submit a bill calling for more political parties in the United States, because the only two parties it has "do not represent an alternative for the U.S. people."

Deputy Antonio Tenorio Adame said that intervening in the electoral process is part of the bipartisan transnational plan that U.S. neoconservative sectors are promoting, in order to establish control over our people and a type of government that has no historical justification nor political legitimacy.

Deputy Ofelia Casillas Ontiveros said that the people have traditionally defended nonintervention, because they have a nationalist spirit, because they believe in their country, and because they have no interests of any type outside of their country.

Senator Rafael Herrera Morales, president of the Senate's Naval Commission, considered that the U.S. attacks against Mexico are the strategies that official U.S. sectors are implementing to try to influence and change our domestic and foreign policies.

Meanwhile, Samuel Ocana Garcia, delegate of the PRI's National Executive Committee of Sinaloa, said in San Ignacio, Sinaloa, that "U.S. Senators Jesse Helms and Dennis DeConcini, encouraged by former U.S. ambassador to Mexico John Gavin, are preparing international public opinion in order to justify an intervention in Mexico."

Heladio Ramirez, gubernatorial candidate of the PRI in Oaxaca State, said that in the face of this aggression, the firm and nationalistic voice of President Miguel de la Madrid comes forth to confirm Mexico's pride, honor, dignity, and sovereignty, against those who are trying to damage our country's image and our system of government.

Finally, the Mexican Working People's Party, PPS; the Mexican Workers Party, PMT; and the Revolutionary Workers Party, PRT, indicated that in face of the U.S. aggressions against the Mexican institutions and government it is necessary for all the country's social organizations to unite to form a patriotic front to defend the country's sovereignty.

BRIEFS

INCREASED COFFEE REVENUES — Mexican coffee earnings will approach $800 million in 1986 in spite of price declines in the international market, the Coffee Institute said Tuesday. The institute said this year's growing season in Mexico has been successful because it has achieved the goal of exporting 3.2 million sacks of coffee. [Excerpts] [Mexico City THE NEWS in English 2 Jul 86 p 42 PA]

COSTA RICA

DIPLOMATIC RELATIONS BROKEN WITH SOUTH AFRICA

PA041800 Panama City ACAN in Spanish 1727 GMT 4 Jul 86

[Text] San Jose, 4 Jul (ACAN-EFE) -- According to an official report, the Costa Rican Government today broke diplomatic relations with South Africa because of its practice of apartheid and its disrespect for human rights. The Costa Rican Government said this measure was adopted because of the state of emergency and the apartheid practices carried out by Peiter Botha's government.

The Costa Rican Government also referred to the refusal to comply with the international community's expectations as stated in the UN Security Council resolution. According to an official communique, "the evolution of the crisis and the regime's complicity and indifference, which have turned the security forces into tools for repression and for violating human rights, are not in agreement with the Costa Rican nature nor with the principles of President Oscar Arias' foreign policy."

ARIAS SENDS MESSAGE TO PERU'S ALAN GARCIA

PA040249 San Jose Radio Reloj in Spanish 1200 GMT 3 Jul 86

[Text] On Tuesday, President Oscar Arias sent a telex to his Peruvian counterpart, Alan Garcia, telling him that difficult times temper the character of a democracy. He added that when truth is sought without respite, one acts without fear for freedom, and there is not fear when seeking the changes which make possible the construction of a great democracy. Arias reasserted his definite support for Garcia's actions, which are aimed at making justice and truth prevail, and added that he hopes Peruvian democracy will emerge strengthened from this difficult situation.

EL SALVADOR

DUARTE INTERVIEWED ON DIALOGUE EFFORTS

PA032154 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 3 July 86

[Francisco Camp report]

[Text] Salvadoran President Jose Napoleon Duarte told local and foreign newsmen that if the third round of talks does not materialize, he will continue striving to find the necessary ways to begin talks with the FMLN rebels. Duarte made those comments after inaugurating the 16th meeting of the Chamber of Construction of Central America, Mexico, and Panama. Here are Duarte's remarks:

[Begin recording, in progress] [Duarte] ...that they lay down their weapons, because the fundamental premise, and the people understand this, is that violence is not the valid way to reach power. The premise presented by the rebel sectors is that the only way to achieve power is through violence and that they are empowered by the revolution to impose their plans, conclusions, and decisions on the people. Herein lies the problem. They are proposing a meeting which rather seems like a publicity stunt, because they are asking that the university, labor unions, and others attend.

In other words, they want to have a stage. Also, they are setting 30 July as a date. They clearly know that on 30 July there cannot be a meeting because Msgr Arturo Rivera y Damas will be out of the country. He is going to be away for 3 or 4 weeks. They know it and so they are acting with premeditation.

Also, regarding the proposals, they want to impose an aide to Monsignor Rivera y Damas other than Msgr Gregorio Rosas Chavez. As you heard in Sunday's homily, Monsignor Rivera y Damas said that his aide is Monsignor Rosas Chavez and that he cannot accept another, because the rebels want to impose one. In other words, the rebels have adopted an intransigent stance and want to impose conditions. In view of this situation, I first of all told Monsignor Rivera y Damas that I support him in all his bids to hold advance meetings. I think that this is good. I think that the country will feel satisfied if we have advance meetings to find the path to peace. I mean, the people are not interested in a show, or that we meet in a certain place, or whether there are people in the streets shouting long live this or that person. The people do not care about that. They are interested in knowing what true conditions are there to have a sincere and honest talk that would allow the achievement of peace objectives. I am working within this framework. [Reporter] Mr. President, what is your government's current stance since the rebels have reiterated that they do not accept advance meetings?

[Duarte] We still do not know that. They have not told that to Monsignor Rivera y Damas. I have said that I support Monsignor Rivera's y Damas' proposal. He said that there will not be public meetings until advance meetings to reinforce the possibilities of sincere talks are held. I support Monsignor Rivera y Damas in this regard. Still, we do not know what their reaction will be. If you already know the reaction, this is probably because they have broadcast it on Radio Venceremos. Apparently, the station is being used more than is appropriate. One gets the impression that all the messages carried by Radio Venceremos are decisions by the commanders or of the fronts on the matter.

Should this be true, we must understand that what they want is for the country to surrender. They want the army to hand over power to them. They want the president to resign. They want to put an end to the government. They want to take over. This is what they want. We have been making our greatest effort to peace and we will continue it. Someone has asked me: What would happen if this dialogue fails? Then I would seek another dialogue, another means, and I will continue struggling to see if we can achieve peace some day. This is my task and duty to the people.

[Reporter] [Words indistinct]

[Duarte] I am not sure whether I have received a notification from them like this. They did touch upon the topic in Mexico. In Mexico City, representatives of the fronts said that they disagree with the proposal. THey said, however, that they received the proposal from the monsignor and that they would consider it and answer later. So far, there has been no response. This is why I have asked what source, because if it is the one in Mexico, it is the one to which the monsignor presented the idea and they said they disagreed. [words indistinct]

[Reporter] If what Rosas Chavez said is true, namely, that the fronts have already rejected the proposal for advance meetings, what would be the government's stance?

[Duarte] To continue struggling for a dialogue. We will seek other formulas. You can rest assured I will find some others. Dialogue will continue and I will procure it. It is possible that such a dialogue will be more difficult, yet I will continue to work on this.

[Reporter] Mr President, how would you describe the talks at present? Do you feel they are stagnated since the mediator will be absent for 3 weeks? What is your view of this situation?

[Duarte] Well, I do not think so. I think the church has its representative, but it does not necessarily have to be the archbishop. For example, the archbishop talks with me. When I cannot speak to him, I appoint a representative to talk to him. The archbishop has never been able to speak to Sharfik Handal, Villalobos, or any of the commanders of the fronts. I understand that the only FPL [People's Liberation Forces] member the archbishop has spoken with is Leonel Gonzalez. In addition, he has spoken to Ungo, Zamora, and Samayoa, that is to say, other levels, second and third levels of the FMLN. This does not mean the dialogue has stagnated just because he has not talked to Villalobos. We cannot jump to conclusions. He has his commitments to the pope and meetings in Colombia, which he must attend. Monsignor Rosas Chavez is here to take care of things. I meet with him whenever necessary and the two of us try to resolve things. So, the situation is not stagnated and I keep working at this.

[Reporter] Finally, Mr President, your opinion on this: The guerrillas have charged Rivera y Damas with becoming partial toward your government in the dialogue process. A few days ago, there were remarks of a political nature at the Catholic university about this situation. Your opinion on this?

[Duarte] I do not know who made such a statement.

[Reporter] Deputy Carrillo at the Catholic university.

[Duarte] Deputy Carrillo said that Msgr Rivera y Damas has sided with the government against the guerrillas?

[Reporter] No, only for the government. This is a political aspect that Deputy Carrillo must answer. Look at the harm that can be done with a statement like this. This is what Radio Venceremos said or has been saying. Later, they apologized to Msgr Rivera y Damas. Now Carrillo appears to be saying it. This can be explained. I think the most natural thing would be to ask Carrillo why he made the statement. [end recording]

GUATEMALA

'FIRST STEP' TAKEN TO RESUME RELATIONS WITH UK

PA061409 Panama City ACAN in Spanish 2100 GMT 5 Jul 86

[By Mario Rolando Sierra]

[Excerpt] Guatemala City, 5 Jul (ACAN-EFE) -- The break in diplomatic relations between Guatemala and Great Britain of 1963 was left without any legal basis today, as a first step of President Vinicio Cerezo's government to "resume relations shortly."

The Legislative Congress approved Decree 36-86, which abolishes a decree dated 24 July 1963, of the facto regime of Enrique Peralta Azurdia, breaking diplomatic and consular relations between Guatemala and Great Britain.

The legislative measure that went into effect today is considered a sign of the willingness of the Guatemalan Christian Democratic government for "a diplomatic rapprochement with Great Britain."

The legal obstacles were eliminated by the congress following an analysis of a British proposal presented 58 days ago, the purpose of which was to resume relations.

FOREIGN MINISTRY APPOINTS ACTING ENVOY TO U.S.

PA041941 Panama City ACAN in Spanish 1446 GMT 4 Jul 86

[Text] Guatemala, 4 Jul (ACAN-EFE) -- The Foreign Ministry announced today that the Guatemalan diplomatic mission in the United States will be without an ambassador "for an indefinite period of time."

The foreign minister explained that "in view of the resignation of our Ambassador Eduardo Palomo Escobar, First Secretary Luis Montes will be in charge of our diplomatic mission in Washington."

Palomo Escobar resigned from his diplomatic post "to return to Guatemala to resume his law practice. However, the effectiveness of his work in Washington is acknowledged."

The Foreign Ministry described Ambassador Palomo Escobar's works a "model" that should "be emulated by all Guatemalan diplomats."

The Foreign Ministry added: "He was always in contact with top U.S. officials and this moved President Reagan to give his moral support to Guatemala in its democratizatin process."

The government of President Vinicio Cerezo has not yet selected Palomo Escobar's replacement.

Palomo Escobar has been the Guatemalan ambassador to the United States ever since Oscar Humberto Mejia Victores' administration.

HONDURAS

AZCONA SAYS CONTRA AID 'NOT SUFFICIENT'

PA030434 San Pedro Sula TIEMPO in Spanish 2 Jul 86 p 2

[Text] Tegucigalpa -- Honduran President Jose Azcona Hoyo yesterday said that the $100 million approved by the U.S. Congress for the Nicaraguan counterrevolutionaries is not sufficient to overthrow the Sandinist regime.

He maintained, however, that this aid benefits Honduras because "this takes a weight away from us to some extent. Without this aid, the counterrevolutionaries might get out of control and a delicate situation for Honduras might occur."

He said that the Sandinist government makes many mistakes against their own people. That government should understand "that it will be very difficult to continue to tread the path of totalitarianism."

President Azcona did not want to venture a date for the Sandinist regime's fall, yet he asserted that "the Nicaraguan Government must be overthrown by the Nicaraguan people."

He further said that, due to Nicaragua's current economic situation, the Sandinists will have trouble remaining in power. "I feel Nicaragua has many weapons, but weapons cannot be eaten. The people do not eax arms."

The president said that, now that they have $100 million, the contras will have to stay in Nicaragua and fight for what they regard as just, a democratic government. "I think this could resolve the problem."

Asked whether he is concerned over his government being linked to the Nicaraguan counterrevolutionaries, Azcona said: "That was in the previous government. Anyway, this government is a continuation of the previous one."

"It seems to be very comfortable for some people to make criticisms. They do not offer a solution for the problem, either. Many friends, who describe themselves as democratic, disagree with the Nicaraguan Government and feel this is a Marxist-Leninist government which, therefore, will not let go of power easily. When it comes to the contras, however, these friends assume a different stance," he said.

"They offer no solution. When I say they, I refer, for example, to the TIEMPO director, my friend Manuel Gamero. All of us know he is a democrat, not a Marxist. Yet he criticizes the situation, and I have never heard him say: We should do this Or say in public: This is the solution. Why? Because the problem (of the contras) has no easy solution."

He added that the consolidation of a totalitarian regime in Nicaragua "does not reassure us. In addition, we do not like raids in our territory by unconventional troops that we know create problems with our border civilian popultion, and somehow involve the Nicaraguan Government."

Regarding the sale of uniforms to the contras by the Armed Forces, the president said: "The contras must purchase their uniforms somewhere. It is true these uniforms are for military men, but it is not war materiel."

"The other day Presidential Designate Jaime Rosenthal Oliva clearly explained that the Honduran military industry is entitled to sell military uniforms to anyone. Should Fidel Castro place an order for uniforms, we would sell to him also. This poses no problem because they are not arms."

ARMED FORCES COMMENT ON U.S. ENVOY'S REMOVAL

PA031619 Tegucigalpa Cadena Audio Viedo in Spanish 1130 GMT 3 Jul 86

[Text] The Honduran Armed Forces had nothing to do with the removal of the U.S. ambassador to Honduas from his post. Relations with the U.S. diplomat have always been one of respect. This statement was made by Honduran Armed Forces spokesman Major Jorge Alberto Arguello.

NICARAGUA

GOVERNMENT FORBIDS RETURN OF BISHOP VEGA

4 July Decree

PA041907 Managua Domestic Service in Spanish 0305 GMT 5 Jul 86

["Text" of decree issued by the Press and Information Directorate of the Presidency of the Republic in Managua on 4 July -- read by announcer]

[Text] 1. The unpatriotic attitude assumed by Bishop Pablo Antonio Vega with regard to the systematic aggression against the Nicaraguan people by the U.S. Government is well known.

2. Msgr Pablo Vega traveled to the United States on 5 March 1986 in response to an invitation from the CIA's Heritage Foundation. On that occasion, in addition to telling other lies, Bishop Vega accused the Nicaraguan Government of having murdered three priests. These lies were aimed at bolstering President Reagan's policy of war and terrorism against Nicaragua. In addition, Bishop Vega met on that occasion with such mercenaries as Colonel Enrique Bermudez of the Somozist National Guard and Adolfo Calero.

3. On 4 June 1986 Bishop Vega again traveled to the United States to offer his support to President Reagan's request for weapons, money, and military advice for the terrorist forces that are murdering the Nicaraguan people.

4. In the speech he delivered on 24 June to demand financing and military support for the mercenaries, President Reagan said: Reverend father, we have listened to you.

5. During a news conference held on 2 July, Msgr Vega not only justified the approval of the $100 million for the mercenaries, but also went to the extreme of describing the International Court of Justice's ruling in which it condemns the U.S. aggression against Nicragua as biased and justifying an eventual U.S. military intervention in Nicaragua.

6. Some 24 hours after Msgr Vega made these statements, 12 children, 12 women, and 8 men, all peasants, were murdered by Reagan's and Vega's mercenaries.

7. Msgr Vega has performed a criminal action that turns him into an accomplice of the policy of crime and terror that has represented suffering, death, and sorrow for thousands of children, women, youths, and old people in our country who are the victims of the terrorist policy of the U.S. Government.

Therefore, due to the repeated criminal and antipatriotic attitude assumed by Msgr Vega and out of respect for the laws of the Republic and for the people of Nicaragua, the following decision has been adopted:

A. Indefinitely suspend the right to remain in the country of someone who, like Msgr Vega, does not deserve to be a Nicaraguan and whose place is at the side of Reagan and the mercenary bands that murder children. This decision will be enforced as long as the aggression of the U.S. Government against Nicaragua continues.

B. Msgr Vega is currently in Honduras where he will have the opportunity to be close to his brothers, who are also Reagan's brothers, the criminal former Somozist guardsmen.

The Nicaraguan Government will continue to guarantee the right of the people to practice, with absolute freedom, their religious beliefs that have been, and continue to be, a vital part of the process of change that the Nicaraguan society is experiencing.

Managua, 4 July 1986

"Twenty-Five Years Later, All Weapons Against Aggression"

Presidency of the Republic, press and information directorate

Ortega Comments

PA060055 Hamburg DPA in Spanish 0015 GMT 6 Jul 86

[Text] Managua, 5 Jul (DPA) -- President Daniel Ortega stated today that if Bishop Pablo Antonio Vega, who was expelled from Nicaragua yesterday, wants to return to the country, he must work for peace.

Ortega's statements were made in the eastern department of Chontales, where Bishop Vega headed the diocese.

The bishop, who held the post of vice president of the Nicaraguan Episcopal Conference, was expelled from the country after the government accused him of carrying out "antipatriotic activities," coinciding with the plans of the U.S. Administration in its work to destroy the Sandinist people's revolution.

Vega is in Honduras where immigration officials of that country turned him over to the church authorities after he was expelled by the Sandinist government.

Ortega, who spoke during the televised "Face the People" program with miners of the region, said that he appealed to the owners of the newspaper LA PRENSA and to the Father Bismarck Carballo to "work for peace."

Regarding Bishop Vega, Ortega said that "he will have to earn the right to work for peace," if he wants to return to Nicaragua. LA PRENSA was "closed indefinitely" by the government 11 days ago on the charge of promoting the warmongering campaign of the U.S. Administration against Nicaragua.

President Ortega said "a terrible counterpropaganda campaign will be initiated against Nicaragua", led by the U.S. President, "but we have no other alternative."

Meanwhile in Managua it was learned that the Episcopal Conference is meeting to discuss the expulsion of Bishop Vega, but no official report has been given.

Four political parties in opposition to the government, headed by the Social Christian Party (PSC), have begun a round of talks on the tension prevailing in the country. Erick Ramirez, president of the PSC, said that they are considering whether to ask the government to permit Bishop Vega to re-enter the country.

The statements by President Ortega -- made following three measures taken by the government after the U.S. House of Representatives approved a plan of $100 million to finance the anti-Sandinist forces and after 38 Nicaraguan civilians were killed in terrorist actions by the so-called Nicaraguan Democratic Force -- raise the possibility of a reconsideration of the political actions involved in the internal conflict.

Meanwhile, the ruling FSLN has called on its militants and the people of Managua to remain on a permanent state of alert in view of the threat of larger aggressions and a possible U.S. military invasion.

Nunez Remarks

PA051507 Managua International Service in Spanish 0424 GMT 5 Jul 86

[Text] Commander of the Revolution Carlos Nunez, president of the National Assembly, has said supporting the warlike policy of the Reagan administration and using the pulpits for political purposes to encourage the reactionary sectors is tantamount to being a traitor to one's fatherland. Here is what Commander Nunez said when referring to this subject:

[Begin recording] It is regrettable that they [not further identified] -- feel more respect for a traitor to his fatherland who willingly acts as an international spokesman, who uses the pulpits... [changes thought] -- who organizes for Cardinal Obando y Bravo the group of priests who every Sunday fail to pursue their pastoral calling, which is their duty, and instead go about politically stirring up the most resentful sectors and also go abroad to participate in conferences and to fan the fires against the revolutionary process, which is the freely elected representative of the people.

We must begin to promote order in this country and to enforce respect for the laws, to enforce respect for regulations. There is Vega's latest statement. Vega is being splattered by the blood shed by all of our heroes and martyrs and the soldiers who are fighting at the warfronts and sacrificing their lives for the freedom of their homeland. In it he justifies the aggression. He is justifying everything. He is justifying the decisions of the U.S. Congress. Does that not deserve condemnation? I think it does. [end recording]

BARRICADA Editorial

PA051611 Managua International Service in Spanish 0420 GMT 5 Jul 86

[Editorial from the 4 July edition of BARRICADA: "Crimes That Demand a Firm Response From the People" -- read by announcer]

[Text] Less than 48 hours ago, Catholic Bishop Pablo Antonio Vega characterized the criminal and terrorist policy of the U.S. Administration against the Nicaraguan people as legitimate and as a right of the people. Yesterday there were two more massacres with a toll of 34 civilians dead and at least 7 wounded.

The attacks have at least two common factors that must be pointed out: 1) The objectives were civilian vehicles being used by civilians; and 2) In both cases, the attackers had the option of not pulling the trigger, but they did.

We are pointing this out because the two massacres are expressions of the essence of the Somozist mercenaries, or, rather, of the U.S. policy of terrorism against the people.

What kind of justification is there for killing 12 children, 12 women, and 8 men, all of them peasants? Can this be called the right to insurrection that Vega claimed for the mercenaries his insolent provocation of Wednesday? What human rights was the Catholic bishop talking about? Vega's blind partisanship has deprived him of all sensibility for the pain of the Nicaraguan people to the extent that he called the ruling at The Hague -- where the International Court of Justice demanded that indemnity be paid for the damage caused by the U.S. aggression -- biased.

The attackers of the Rio Escondido boat are not religious peasants as Vega has said, but tools that implement criminal actions planned, organized, directed, and paid for by the United States. There is a mastermind and triggermen, and people like Vega who neither give dollars or pull the trugger, who are phonies and act on behalf of a Catholic people they do not own and who they illegitimately represent. People like Vega are more harmful than the mercenaries who set off the mine.

Vega, just as the bishop of Granada, Tamito Reyes, did many decades ago, daily blesses the arms and the actions of the aggressors. Vega, a poltical tool of daily aggressions, has placed himself on the side of those who kill Nicaraguans daily, whose only crime is their desire to live in peace and social justice. The new crime and its authors can no longer just be condemned. This situation demands a clear and firm response from the people and their revolution, as has happened.

RELIGIOUS, REBEL LEADERS DENOUNCE VEGA EXPULSION

Pope 'Deeply Affected'

PA052031 Paris AFP in Spanish 1953 GMT 5 Jul 86

[Text] Medellin, Colombia, 5 Jul (AFP) -- At the conclusion of a mass said at the Medellin airport [as received] today, Pope John Paul II denounced the expulsion from Nicaragua, by the Nicaraguan authorities of Msgr Pablo Antonio Vega, vice president of the Nicaraguan Episcopal Conference.

"Today is a day of happiness and hope for the Church of God that is making a pilgrimage to Colombia, as well as for the universal church," the pope began.

"However, the happiness in my heart, and in the hearts of all the children of the church, brought on by the budding spring of ordinations, has been deeply affected," the pope said. "Furthermore, I would say that all the people who are sensitive to the demands for freedom and respect for the basic rights of man and citizens, are also affected," the pope said.

"I have said that we are deeply affected by the sad news that Msgr Pablo Antonio Vega Manilla, bishop of Juigalpa and vice president of the Nicaraguan Episcopal Conference, has been forcefully separated from his parish and expelled from his own homeland," he added.

"This almost unbelievable incident has deeply saddened me. This is because it makes me recall dark times -- not so far removed in time but which I thought had been overcome -- in which actions were carried out against the Church," the pope added.

"I want those responsible for this decision to ponder the seriousness of such a measure which, in addition, contradicts repeated assertions that they seek a peaceful and respectful coexistence with the Church," he added.

"In my pastoral request for the Nicaraguan Church, I offer, along with my deepest regret, a fervent prayer to the Almighty to bestow His grace on Msgr Vega, the clergy, priests, nuns, and the faithful of his prelacy in Juigalpa, as well as on my brothers in the episcopate, along with dear Cardinal Obando y Bravo and the entire church in Nicaragua during these trying times during which they can count on the prayers of the entire church and my deepest apostolic benediction," he said in concluding.

Envoy Says Pope 'Misinformed'

PA070236 Paris AFP in Spanish 0126 GMT 7 Jul 86

[Text] Bogota, 6 Jul (AFP) -- The Nicaraguan Government explained tonight in Bogota that Pope John Paul II "is perhaps misinformed" on the reasons why Bishop Pablo Antonio Vega was prohibited from re-entering Managua.

The Nicaraguan ambassador in Bogota, Francisco Lacayo, said tonight: "We are amazed and concerned very much that His Holiness Pope John Paul II is not well informed of the reasons for that decision."

He explained that Bishop Vega, who was expelled from Nicaragua last Friday, "does not deserve to be a Nicaraguan" and accused him of being a long-time supporter of the anti-Sandinist forces, especially President Ronald Reagan.

Lacayo, who recognized the religious leadership of the pope, said that the Managua government feels the condemnation which the pontiff made in Medellin of Vega's expulsion was due to "misinformation."

He added that the expelled bishop is currently in Honduras and noted tht "Msgr Vega is very well; he has not been attacked physically or mistreated in any way."

Lacayo made a lengthy statement in Bogota in which he accused the bishop of activities against Niacaragua.

The diplomat also deplored that the pope has not commented on the decision of the International Court of Justice of The Hague and reiterated charges that the United States is pursuing what he termed a "policy of aggression."

Obando y Bravo Comments

PA062207 Paris AFP in Spanish 2026 GMT 6 Jul 816

[Text] Managua, 6 Jul (AFP) -- Cardinal Miguel Obando y Bravo today condemned the expulsion from the country of Msgr Pablo Vega, vice president of the Nicaraguan Episcopal Congerence (CEN), and said that it constitutes "a human rights violation."

During a brief news conference following his regular Sunday mass at the parish church in Las Sierritas, south of Managua, Obando said that an improvement in the deteriorated church-state relations "does not depend on us, but on their (the Sandinists) good will."

In this way, Obando rejected statements made Saturday by President Daniel Ortega who, after having accused Bishop Vega of helping the "U.S. aggression," said that a normalization of relations with the church "will depend on the behavior" of the Catholic hierarchy.

The head of state said that if the church "adopts an attitude in keeping with the situation, problems will be overcome. Otherwise, they will logically worsen."

As usual Cardinal Obando y Bravo used biblical passages in his homily to indirectly reprimand the Sandinist government, which Bishop Vega accused of "violating the most basic rights of the Nicaraguan people" last Tuesday.

Obando pointed out: "They are dragging us to death day after day, but nobody will be able to draw us apart from the Lord." He added that Christ's disciples were sent "as sheep among wolves" to evangelize the people.

Cardinal Obando urged the priests and faithful Catholic people in Nicaragua to continue conveying the word of Christ.

Citing phrases from the Gospel, he said, "They will face serious difficulties and will even have to pay with bloodshed" in order to carry out the evangelization.

Referring to Msgr Bismarck Carballo, the spokesman of the Archbishopric in Managua, and Bishop Vega, who were exiled to Miami and Honduras respectively, Cardinal Obando said that they "already bear the brand of Christ."

Obando also denounced "the manipulation and distortion" that he believes is being carried out by official information media on a daily basis."

He said, "Distortions and half-truths can be worse than lies" and added that the Sandinist press "has been sowing division and discord" in the church by trying to expose alleged differences within the Episcopal Conference.

Obando gave assurances that the peace of Christ will finally arrive, but added that it will not be a peace "imposed by terror, a peace of arms, or peace of the cemeteries."

Obando also denounced the fact that 17 priests have been expelled by the Sandinist Government in the past 7 years.

He said that "the Nicaraguan people must pray and ask God to send workers to carry out the evangelization" and added that it is necessary to explain to the people "that human rights must be respected."

"When a loved one is hurt, the church must say something. It cannot remain closed to itself," Obando said.

The cardinal, who is considered to be the main opposition figure, said that the newspaper LA PRENSA -- the only opposition paper in the country, which was recently closed down -- "was a crack allowing freedom of speech in Nicaragua."

During the mass, a message from Pope John Paul II was read. Upon learning of Vega's expulsion, the pope had said in Colombia that he "is profoundly saddened by this almost unbelievable incident."

The main leaders of the political opposition attended the cardinal's mass. Afterward they met with Obando y Bravo to express their solidarity in the face of the most recent events.

FDN Protests

PA062306 Panama City ACAN in Spanish 1720 GMT 6 Jul 86

[Text] Tegucigalpa, 6 Jul (ACAN-EFE) -- The FDN protested today because Msgr Pablo Antonio Vega, vice president of the Nicaraguan Episcopal Conference was expelled from his country.

In a "Radio 15 September" broadcast, contra leader Adolfo Calero said that on Friday of last week Vega was forced to get into a car in which he was tied up and taken to the Honduran border.

Calero asked "all free people of the world" and their governments to express their solidarity with the people and religious leaders of Nicaragua "in view of the attacks by the Sandinist government."

The counterrevolutionary spokesman said that they have never asked Father Pablo Antonio Vega to be the "FDN chaplain."

"We would be honored if he were our chaplain, but we have not had any contacts with him," he added.

In Tegucigalpa a military source who asked to remain anonymous said today that the Nicaraguan priest's life "was in danger in Nicaragua."

According to the military source, Vega is in this capital under strict security measures because he may be the object of an attack.

No religious authority in Tegucigalpa has reported on the whereabouts of the vice president of the Nicaraguan Episcopal Conference.

Pablo Antonio Vega was turned over to the Honduran authorities by Sandinist military officials and state security officials from Nicaragua.

The Sandinist government accuses the religious leaders of "creating problems within the state of emergency in Nicaragua, for telling lies bout the revolution, and for carrying out campaigns in favor of the United States," among other things.

32 CIVILIAN CASUALTIES ALLEGED FROM MINE

PA040346 Managua Domestic Service in Spanish 0311 GMT 3 Jul 86

[Text] A cowardly, criminal attack [words indistinct] killed 12 children, 12 women, [words indistinct], one seriously wounded. At 1700 yesterday, between El Cerro and [word indistinct], on the road to Boca, a bus carrying civilians was hit by an antitank mine. Thirty-two people were killed in this criminal action by the U.S. Government.

The mine is a U.S. [word indistinct] type mine. A mercenary aimed and activated it from a distance, with his target clearly in mind. This proves that the attack against the civilian target was planned cold-heartedly, maliciously [words indistinct]. In view of the serious nature of this act of terrorism, the Nicaraguan Foreign Ministry has drafted a protest note to the U.S. Goverment.

Protest Note

["Text" of protest note sent by the Foreign Ministry to U.S. Secretary of State George Shultz on 3 July]

PA050240 Managua International Service in Spanish 0032 GMT 5 July 86

[Text] Managua, 3 July 1986

Your Excellency George Shultz,

Secretary of State of the United States.

Mr Secretary of State:

Yesterday, 2 July, on the highway running from Bocaycito y El Cerro, Wiwili municipality, an antitank mine exploded when a civilian vehicle went by, causing the deaths of 12 children, 12 women and 8 men. Only one person, who was wounded, survived. All of the victims were civilians.

Today, at 1330, a group of mercenaries armed with rifles, machine guns, and RPG-7's attacked the Bluefields Express on the Escondido River, 27 km from the city of El Rama, killing one civilian. On 27 June, President Daniel Ortega denounced the murder of seven children in a mercenary attack on a peasant cooperative in Camoapa, Chontales Department.

These unspeakable crimes are the result of the policy of state terrorism applied by the Reagan administration against the Nicaraguan people. Being unable to face up to the Nicaraguan Armed Forces, the mercenary groups, organized, armed, trained, and directed by the U.S. Government, have made the civilian population the target of their innumerable crimes, adding 40 more murdered Nicaraguans, including 17 children. Very little can be added to the worldwide repudiation and condemnation of the terrorist policy practiced by the U.S. Government against the Nicaraguan people and government. The immoral and illegal conduct of the Reagan Administration has caused the deaths of thousands of Nicaraguans. One may suppose that these last 40 innocent people who were murdered will serve to show the effective way in which the U.S. Government is using the broad experience it has gained in terrorist actions.

Nicaragua, the international community, and even the U.S. people know that only the U.S. Government and Congress are to be blamed for these crimes. To them, we express our most vigorous repudiation of the irrational policy that they are practicing against Nicaragua, a policy which violates the most basic principles of international law and human rights.

The ruling of the International Court of Justice, the highest tribunal of the United Nations, fully condemned the United States for that policy, and the U.S. Government is obliged to honor the findings of the court.

Nicaragua will denounce these acts of barbarism promoted and directed by the United States to the United Nations and the international community.

(Signed) Miguel D'Escoto, [foreign] minister of Nicaragua.

EFE: NO OFFICIAL COMMENT ON TALKS WITH U.S.

PA041556 Madrid EFE in Spanish 1240 GMT 4 Jul 86

[By Juan Jesus Aznarez]

[Excerpts] Havana, 4 Jul (EFE) -- The Cuban Government has not issued a statement on the announcement of the upcoming talks with the United States to resume the 1984 immigration agreements.

The U.S. State Department confirmed a NEW YORK TIMES report that Cuban and U.S. officials will meet in Mexico to study the possibility of resuming the agreements, which were suspended on 20 May 1985. On that day, as a result of Radio Marti's initial broadcast from Miami, the Cuban Government suspended the implementation of the agreements and reserved the right to carry out other actions.

Cuban Foreign Ministry sources consulted by EFE avoided making any comment on the information published by the U.S. newspaper.

Political observers in Havana are asking what kind of formulas can be discussed by the two parties to reconcile two positions that, apparently, are irreconcilable.

Cuba feels that as long as Radio Marti continues to operate, it is not possible to resume the immigration agreements. The United States has made it known that it does not plan to close the radio station. In reality, the future of this anti-Castro radio station has become an essential factor for any talks that could take place between Cuba and the United States.

Diplomatic sources in Havana said Cuban and U.S. officials have held "sounding -out" meetings in various capital cities, but this information was not officially confirmed.

Political Prisoners Released

PA041734 Madrid EFE in Spanish 1658 GMT 4 Jul 86

[Excerpt] Havana, 4 Jul (EFE) -- Cuban authorities have released 55 political prisoners and it is expected that more prisoners will be released, sources close to the recently released prisoners told EFE today.

The release took place on 30 May. The prisoners were serving sentences of more than 20 years in the Combinado del Este Prison in the outskirts of Havana, and they had not completed their sentences. The prisoners were released as a group, according to the sources. The release has not been officially confirmed yet.

Another 30 political prisoners had been released on 10 May as a result of mediation by French scientist Jacques Cousteau.

CASTRO SPEECH AT GENETIC ENGINEERING CENTER

FL031222 Havana Television Service in Spanish 0148 GMT 3 Jul 86

[Speech by President Fidel Castro at the dedication ceremony of Havana's National Center for Genetic Engineering and Biotechnology on 1 July -- recorded]

[Text] Distinguished guests, comrades: Our center is not fully completed, only 97 percent of it has been finished. We still have 3 percent more to go. You can all see that there is no grass in the front. The soil has just been brought in. However, some laboratories are already in operation. We believe that this month -- that will be another record -- at least half of the laboratories will begin operating. That is why we want to ask our guests to please forgive us for not having the center 100 percent finished. It is honest to raise the point.

Nevertheless, it is our legitimate right to dedicate it. On my behalf, first of all, I would like to express my most profound gratitude to all the guests who are accompanying us in the dedication, to all those who spoke on behalf of international organizations from third world countries, from socialist countries, to all those personalities in attendance here. We wish to express our gratitude for their encouraging, stimulating, friendly, and kind statements. We also want to express gratitude to others who were invited and could not attend, but sent messages joining the festivities.

We should also express our gratitude in a very special way to the workers, project managers, and technicians who completed the construction of the center in record time. I am obliged to mention at this time the workers of the architectural construction enterprise No 6, which was mainly responsible for the project with the cooperation of other enterprises such as the specialized assembly and construction enterprise. As you know we have here the pilot plant, which is not small. Other participating units are the engineering construction enterprise No 22, the industrial construction and assembly enterprise No 3 -- I do not want to forget any of them, because later on I have to listen to the complaints -- the capital's earthmoving enterprise No 1, and others that assisted in the final phase of construction. There are also the architectural projects enterprises Nos 7, 24, and 25. I hope no one will protest. Not mentioned are the centers which manufactured the parts, the industrial centers, the maintenance centers, the transportation enterprises, the equipment centers, and all those which contributed to the success of this project in one way or another.

It must be said that in the end there were many people involved. I asked Manolo, the enterprise director: Do you think this will be completed by 1 July? And he responded: I am sure it will be completed by then. I know that the construction ministry comrades were concerned, they were holding frequent meetings. Besides, we were visiting the site quite frequently. We could see they were working day and night, even in the early morning hours. We also noticed that there was a manpower reinforcement at the end. I do not want to ask how many projects have suffered delays because of this. I know that we have a 2-month delay, at least, in the factory for eyeglass lenses. We have a 2-month delay there, but I believe it will be completed sometime this summer. Some other projects out there have also been delayed, but I am hopeful that in the coming weeks and months we will overcome those delays, which are not so great.

In reality, the men have worked day and night, Saturdays and Sundays included, in this project. I believe that the most important thing is not the quantity of work completed -- 70,000 square meters of floor space. This center occupies 12.5 hectares of land, not including the hotel area.

The most important thing is the quality of the work. I observed that in a recent visit I paid to the laboratory areas. I believe this center has the best quality of construction work in our country. Thus, the workers must be congratulated more for the quality of the work than for the speed of the work. [applause] I believe this is a day to honor the builders because they have done a good job with good quality. During the last few days I said to them: I know we are not going to be 100 percent complete by 1 July, but this is not important, just fix up the facade the best way you can. They had already planted some trees. I do not know how those trees have taken root, that is the truth. Two weeks ago, inside the auditorium there was nothing -- no carpets, no seats, no ceiling, there was nothing.

Today, I was looking at it while the guests were being briefed. I was looking at it and could not believe it. I thought it was a mirage, I thought I was seeing things. This part was one of the last things they did. They have finished this part entirely. I hope the construction of the auditorium cannot be blamed for the microphone failure. I believe the sponsors of the ceremony are responsible for that failure. It has nothing to do with the auditorium. It worked fine, everything -- the lights, audio, air conditioning, everything.

They have made an enormous effort cleaning the place. The perimeter fence had not been completed. I went around here many times and asked if they would be able to finish it. Yes, they finished it, it seems like a miracle. They have finished all the major construction; now the P3, and P4 for caged animals, and the area for the pilot plant have not been finished. The same way I said a few days ago not to rush, I repeat it today. Please do not mess up the quality with which you have worked here.

I also want to tell the builders who will continue to work here, some 300 of you, to please work intensely but maintain the same quality, above all. This is very complex construction work. In electrical wiring and communications connections, it requires some 2,500 kms of wire. That will give you an idea of the work involved. No one knows how many kms of tubing for water service, gas lines, and air conditioning. It is a very complex project. They now have to do the finishing work and, above all, complete it with quality and precision. That is the main interest.

Meanwhile, the scientists will be doing research work. This brigade has other immediate objectives. They have the Frank Pais hospital, which is going to be expanded and it has to be done in 15 months at the most. They have set a goal of less time then... [leaves thought unfinished] I know the builders. In the first few months they think they can do it and slow up and, in the end, they accelerate their work. In this final rush, quality might go by the side as well as productivity. Above all, they go through a period of anguish with the last few days of reinforcements. They ask for support from other projects at the last minute.

I believe that the project they are going to undertake now, the hospital, I believe there will be some 500 men working there this week. One ward has to be built and the surgery rooms finished. I believe they have quite a task ahead of them in the next 15 months. I am sure they will finish in less time. They have set themselves a goal of some 10 or 11 months. We believe it will take a little longer. In addition to the final effort to complete this project, we can announce some more good news. This same enterprise, these same workers 2 days ago began to build a new center called Inmunoensayo, which will be a research work laboratory, and a factory of the ultramicroanalytic system such as you saw today. This is going to be mass produced in that first factory, which will have a capacity to build from 40 to 100 pieces of equipment each year. It is not too big, about 4,000 square metes of floor space, and they have 6 months to build it. I believe they can do it perfectly well in that period of time. They have other construction jobs.

All of the work of this brigade has been programmed and we want them to build with a new style, a continuous process that begins the project and continues until it is completed.

It must be mentioned that this job was not included in the 5-year plan. Not everything can be included in the plans because if we strictly carry out the 5-year plans, we would have had to wait perhaps 5 years, or perhaps more to build the laboratory and the equipment of the ultramicroanalytic system. In that case we would have to wait 5 years. It has always been my belief that 100 percent of the resources should not be pledged in the yearly plan and much less in the 5-year plan. The country should always keep a reserve of construction resources to be able to cope with everything new that comes up. No matter how perfect a plan may be drawn up for 1982 to 1990, no matter how perfect it may be in Janury 1986, by the middle of the year it begins to become imperfect. When 2 more years have gone by it is even less perfect because everything changes, living conditions change. New problems crop up that could not have been foreseen, for which reason we should maintain part of our resources unpledged. This is what gives an advantge to planning, which makes it possible for the country to work with plans and flexibility. If the opposite is done, the plan becomes a straitjacket. Because we had some resources centrally controlled, we were able to undertake this project, the construction of this center. There were some other things, the biological research center was not included also.

However, very few things that we have completed are as important for the country. As I have explained before, this has a history. I experienced great satisfaction listening to Dr (Clavell), an eminent U.S. physician, this afternoon. He did not expain it all, he said he had visited the country. In reality that was the first time we heard interferon mentioned. He had visited our country, visited many of our health institutions. He had talked to many people. I knew he was an eminent oncologist, I asked him: tell me, what is the status of U.S. research work in the struggle against cancer? It was the first time he spoke to me about the ongoing research work with interferon, research work which was going on in his hospital. He even asked me to send a physician to his hospial so that he could observe the ongoing research work. As a precautionary measure, I sent two physicans. In law, this is referred to as what is abundant, cannot be harmful. [laughter in the audience]

I sent two physicans, Pedro Limonta and one other. Dr (Clavell) rceived them and explained to them the ongoing research work. The two comrades returned full of enthusiasm.

Thanks to the visit, we made contact with the center producing interferon in Denmark, I mean Finland. We also wanted to participate in that research work, and we will gladly accept it and will collaborate with U.S. institutions working in this field, taking into consideration our modest resources, of course, and any other institution in the world struggling against this disease, AIDS, or any other plague or diseases affecting mankind.

I recall this gesture with great gratitude as it came from a person, unquestionably generous -- I do not know if he will like to hear this -- noble, philanthropic, who did not hesitate in offering information in this field of medicine. Thanks to that visit, contact was made with another generous, noble, philanthropic person, Dr (Kantel) of Finland.

We contacted him and we told him we wanted to learn about the technology involved in producing interferon. He invited us to send two technicians but, following the same principle, we sent six investigators. When he received the six, he was pleased because he realized the comrades [laughter in the audience] had great interest in their work.

He was being visited by persons who had a commercial interest, so the comrades who went to work there impressed him every much. They had no commercial interest, they were concerned with health matters. They learned the technology. In less than 2 weeks they were taught the essential part of the technology. While they were there [in Finland], the first laboratory was installed here in a protocol house. That is the history. In that first laboratory, on 28 May 1981, less than 6 months after my talks with Dr (Clark), the first dose of interferon was produced.

That coincided with the dengue epidemic. Supposedly the interferon was produced for cancer research work, but we had to use it for some serious cases of dengue. Subsequently, lots of research work was conducted against viruses and the struggle against some turmors with some satisfactory results, and others we may call encouraging. There was a time when this product had great prestige, later on it lost some. Now we have some encouraging indicators in certain types of cancer. There is a publication outlining a number of cases of patients who survived, much more than the amount of time lived with just radiation. The combination of leukocytic interferon with radiation is offering encouraging signs. In this, like in all things, one must be very careful when dealing with health problems. But, I believe a lot of research work remains to be done, especially in alpha and in gamma. I do expect lots more from the combination of interferons, of which a lot still remains to be investigated, combined with other means, above all radiations.

One must see the effect of the linear accelerator on this. We are trying to acquire one of those type of equipment which can emit a greater amount of radiation and more precisely, more concentrated. We are acquiring the equipment and will continue this type of research work, not only with the cobalt pump but also using the linear accelerator. We will gladly pass that information to any center working on this. In reality, now that we have had such encouraging results, we are planning to expand the research work. As you all know, these medicaments, this technology can only be used in terminal cases. When it is not a terminal case, the known technology has to be applied. For the time being, one cannot experiment with patients, one cannot experiment with human beings. This moral aspect of medicine must be uppermost in our minds. Just in terminal cases, when no other technology will work, one can desperately experiment for a favorable solution of the problems. A lot remains to be investigated.

The real facts, the information, the visit to Texas, the contacts with (Kantel), the interest aroused by this product, the first successes contributed greatly to the concerns for biotechnology in our country. Possibly, the human aspect of these investigations is what did it. They were directed to the field of medicine mainly. That greatly stimulated our interest. That is the way the idea to build the first center of biological research work emerged. That was the first center, a very small one. Compared to this one it is small, it had 4,000 square meters. That is the place where the personnel who is coming to work here underwent training.

The idea of this center emerged quite a bit later, as a result of all this process. It was not absolutely by chance. It was encouraged by the results attained at the biological research center. The idea to make a greater effort emerged. Contributing greatly to this was an idea of UNIDO [United Nations Industrial Development Organization]. It had a project to build a center of genetic engineering and biotechnology, and we heard about it. We, of course, hoped to be assigned that center. This implied that we would have to build the installations, housing for the students, the country had to make a serious investment. The UN organization will make a contribution in equipment and cooperation in scientists.

The truth of the matter was there were too many countries vying for it. Some European countries were trying to get the center. We met with the UNIDO committee and told it we wanted to vie for the center as a Third World country and as a country that had been working in the field of biological research and other fields, as a country which had been successful in the struggle for public health. We thought we had the merits needed to vie for the center. But, there were many, many vying. That is the truth. Some countries were even offering $40 million. I am not going to mention the countries. I do not want anybody hurt by this. But there were two European countries which each offered $40 million to host the center. We said: Where are we going to get that kind of money to compete, to make such commitments?

But we were defending the principle that even if we did not get the center, hat it be assigned to a Third World country. That was the proposal we made. We defended that idea with great determination. There was a group of countries supporting us, but we gave up the aspiration of hosting the center and gave our support to India, which presides over the Nonaligned Movement and is a Third World country. We supported it.

In the end, the final decision was made and the center was divided between India and Italy. I believe Italy is going to conduct the applied research work and India is going to conduct fundamental research. Prior to the final decision and before we gave up hosting the center, we were very impatient to make progress in this field. In view of that situation and the diversity of aspirations, and because we did not want to get involved in conflicts with anyone, we decided to give it up and develop it on our own. We said: Instead of one, there will be two genetic engineering and biotechnology centers in the Third World. And we decided to build the center. Do not be misled, there were lots of efforts involved in this. It was not the case of many millions of dollars, but there were a few. In pesos, there were no problems. It is estimated that this center will cost 60 million pesos.

I estimate that a center of this quality in the United States would cost $250 million, that is anywhere in California or New York. The 70,000 square meters it has have to be multiplied by $3,000 per square meter, that is $210 million plus the land, plus materials, etcetera, or equipment. I estimate $200 million. We have built the center with $60 million [as heard]. Because this center was not included in the 5-year plan and all the available material was committed, we had to buy construction materials for this center in foreign currency. We had to buy high capacity power plants that we could not get in socialist countries. We had to buy elevators of the type we needed here. We had to acqurie the air conditioning equipment. All that raised the cost somewhat higher than $15 million and $8.5 million in equipment so far. But somewhere between $25 and $26 million will be the total, if no o her expenses come up. That is the country's investment in this center. Nevertheless, we are already obtaining the first benefits of this project. The plan of the capital's hospitals expansion amounted to $35 million in foreign currency. That is an ambitious plan, which involves raising the number of beds by nearly 50 percent. The first estimate dealing with elevators, air conditioning, power plants, etc. amounted to $35 million. But with the experience we gained here, we decided to buy smaller power plants for the more important hospital areas, which can be bought in socialist countries; we will build the elevators ourselves with parts purchased abroad; we will build the laundries with parts purchased abroad; we will build the air conditioning equipment with parts purchased abroad, etc. With these adjustments, of the $35 million estimated for that plan -- that plan was developed hurriedly because, even though we had made great progress in the interior of the country, we had a deficit of hospital beds in the capital -- we are going to make all those components here in our mechanic industry, and we are going to reduce the expense of foreign currency for the expansion of the capital's hospitals to less than half of the $35 million.

We are going to reduce it to $15 million. At present, there is ongoing work on all those construction projects. This enterprise is going to participate in it.

Among those hospitals, we have the expansion of the Frank Pais hospital, one of the best in the country in orthopedic medicine. It is a Latin American school in orthopedic medicine. Other hospitals' capacities are going to be doubled, even tripled. It is always cheaper to expand a hospital than to build a new one. I hope that these same workers, this same enterprise will build, beginning in 1979, the clinic-surgical hospital in the west part of Havana, some 300 meters from here, next to the Victoria de Giron School of Medicine. We want them to build with the same quality they built this one. We will allow them 3 years, not 2 years, for building that one. There will not be so much pressure for that construction, but I expect it to be 100 percent completed for the dedication ceremony. I do not want not even that 3 percent left undone because of the bad habit of not completing the work on time. That is the history of this center and the cost. Nevertheless, the UNIDO idea helped us. We adopted the UNIDO program, and we asked the comrades in the biological center to develop this center's program, its functions based on the UNIDO document.

In addition to studying the UNIDO document, they gathered this type of information from other countries, industrialized countries, and developed the program. What determined the size of the center, the square meters, the number of laboratories, etcetera? That was determined by studying the UNIDO program and other countries' experiences, and lastly, the plotting that always takes place between investors, in this case the scientists, and the project managers. The scientists began to ask for so many square meters, so many laboratories, so many meters of land, so many installations for this and for that, and who was going to argue with them? They are scientists and the politicians are not scientists. We could be the victims of any information, whatever they want to give in good or bad faith. I hope that it was in good faith.

The project managers also outlined their plans and, in the end, there is no way out but to do whatever they ask for. They sat down and began asking for this and that, as I did when I was a little boy on the eve of Three Kings Day. [laughter in the audience] They sat down and asked Gaspar, Melchor, and Baltazar [the three kings] for a center that had this and that, everything. Well, now they have the center. That is another historic fact. Those are the things that contributed to the construction of this center. But, one thing they have in mind and we have another. The center is big but I also expect big scientific results in this center. [applause]

It is just also to give special credit to Dr (Sasun), who also spoke here. He is the author of the UNESCO book on biotechnology. That book reached us, we appreciated its importance, its contents. It helped us to form an awareness in the field of biotechnology. It will be the first time we ask permission to print a scientific book, but in this case we behaved like gentlemen, correctly, and thoughtfully and asked permission from UNESCO and Dr (Albert Sasun) to print the book. They gave us permission to go ahead with it. We were so grateful that we did not want to print it on our own and he generously, kindly, something more, enthusiastically authorized the printing of the book. We now have 10,000 printed books. Some have been distributed and others should be distributed in the area of biotechnology and, above all, in the area of biology, in the area of the biological front, of public health, in the more advanced hospitals. I believe that scientific-technical book has an enormous value. Thanks to that book in part, and as I study it -- I have not studied it, I have simply read it, and uderlined some things... [leaves thought unfinished]. I am planning to study it in depth so that I may discuss its contents with the scientists. That is the minimum technical knowledge I need. [applause]

If I do not have at least that, they can say anything to me. We have to thank Dr (Sasun) for this book. I want to take this opportunity to ask the comrades in the Academy of Sciences to make a plan to distribute the 10,000 books to increase the awareness of biotechnology in our country, holding back a few of the books, say 500, leave 500 for some visitors, some persons who might want them. All that has had an influence on this. This is a project with many contributors. I wanted to say this, because I did not want anyone to think it was done by chance, a premonition, that we can see the future, that we discover the importance of things. We simply gather ideas, information, experiences and, in this case, it explains the speed with which it has been built. It can be explained because of the human contents, human objectives, because of the enormous importance of a human nature that this scientific field has. I do not believe no other would have justified the enormous effort that has been made in this. It also explains the why.

In barely 5 and a half years since the conversation I had with Dr (Clark), some 44 products have been displayed by the biology laboratory, and we have been able to dedicate this center. The center's name is genetic engineering and biotechnology, in reality in concepts the genetic engineering is part of biotechnology. But we have adopted this name of genetic engineering and biotechnology following the UNIDO program. So if some perfectionists, people who want to be precise in the use of the lanaguage say that the name is not correct, I want them to know that it is not our responsibility, that it belongs to UNIDO. I believe it is a beautiful name and expresses the importance of genetic engineering in biotechnology. Biotechnology has been going on for the past 6,000 years.

It is said that the Mespotamia, 4,000 years before our era, more than 60 varieties of fermented products, among them beer, were being produced. Beer and biotechnology are very ancient as you can see. [laughter] Since the era of Mesopotamia, there has been biotechnology. Now, the traditional biotechnology... [leaves thought unfinished] we have the production of alcoholic beverages, that is biotechnology -- rum, whiskey, wine, alcohol. I believe that this science, this branch has caused at this time, in the last 10 years, let us say 10 or 12 years, a colossal revolution. Those who have the possibility of deliving into the details of this science are going to be amazed. It is the first time that man has the power to go into the essence of life, the incredible possibility of creating new forms of life by using nature's laws.

I believe this revolution could not have taken place today without the computers, computer science, without the electronic equipment. One is amazed when one reads the amount of proteins in one cell. At least, what I have read in (Sasun's) book, it talks about 50,000 proteins. It talks about millions of (nucleolus) which are part of the genes. I do not want to brag about technical knowledge. I am saying the minimum, the necessary to express the idea that it is something fabulous, much more so than the research work and discoveries made by man with the atom.

That microworld appears to be more fabulous than the macroworld, the world of the stars, which is known to have so many galaxies, thousands and tens of thousands of galaxies, and millions of stars -- I do not believe they have counted them all, or estimated how many there are, because they are very far away at no one knows how many light years aways. But this microworld is at the reach of man and could be a resource or tool very important for man.

In the field of medicine, as you all know, human insulin has been produced. In the past, the insulin used for diabetics -- there are tens of: thousands of them, perhaps more than 100 million; it could be 200 million, I do not have exact figures, but know there are many millions of diabetics in the world -- was made from swine and cattle.

Now, with the genetic combination, they have provided certain organisms with the possibility of producing human insulin. A number of persons, I believe 1 in 10, had problems with the previous insulin. Please note how many millions of persons have benefited from this.

The growth hormones can also be produced this way. Interferon is another product, a product that produces white cells. We began doing it with white cells, but now it is produced by cloning micro-organisms. It is produced in whatever amounts are necessary, otherwise, blood donations would not suffice for the quantity of this type of products that are needed. Intense work is ongoing to find vaccinations via genetic engineering for such troublesome and serious diseases as viral hepatitis, type B, which is the cause of many cancers of the liver. They are studying the possibility of producing this vaccination via genetic engineering. Today it is being produced in other ways, using blood of healthy carriers of the disease. Such a vaccination costs some $200; it is impossible. Several dosages are used. They are trying to find the solution with genetic engineering. They are seeking vaccinations against aids through genetic engineering. If that vaccination is found, it will be an enormous contribution to human health. It would remove from the minds of hundreds of millions, thousands of millions of persons the nightmare that they have today because of that disease.

Using genetic engineering they are also trying to find a vaccination against foot-and-mouth disease, another plague that affects man indirectly. In this way, many medicaments are being sought. But also using genetic engineering, they are seeking -- Limonta [not further identified] talks about this a lot -- the monoclonal antibodies, both for diagnosing diseases and for using it to combat certain diseases. The field of medicine is undergoing a revolution as a result of the development of this scientific branch.

But, as Professor (Sasun) explained, it is not only the fields of health and diagnoses that benefit from this science. Before going into the economic field, we could talk about antibiotics, which is another product of biotechnology, a very modern one. Using genetic engineering and modern biology they are studying important phenomena related to antibiotics, such as why some bacteria develop antibodies and a resistance against diseases. What formulas are there to face up to that?

Thanks to genetic engineering, the productivity of those micro-organisms has been multiplied. At the beginning when they were discovered, they were insignificant amounts. By selection alone, that type of micro-organism could not be obtained, which today has 100 times, 200 times, 1,000 times the productivity that the first micro-organisms had to produce antibiotics. Thanks to genetic engineering, the exchange of genes, they have obtained micro-organisms with an enormous productivity.

Studies of rejection mechanisms are being made today, a new scientific resource so that humankind may benefit from the antibiotics. This is the biggest revolution so far that has taken place in the field of medicine. All this is possible thanks to biology. Biotechnology has a lot to do with agriculure. The possibility of developing the tissue culture, transferring genes from one vegetable cell to another, seeking new varieties which will resist climatic conditions, diseases, salinity in some cases, environmental conditions, varieties whch will have a higher productivity -- something of great importance in a world where thousands of millions of people are suffering from hunger -- are some of the contributions of biotechnology.

Also, as Limonta explained, he said here we have a laboratory that will work in the transfer of genes between mammal cells, the genetic recombination of mammal cells and embryos.

This could have extraordinary results. So that this could be understood, I have said in other occasions we have preserved the DNA of Ubre Blanca [famous Cuban cow which gave many liters of milk daily]. She produced as much as up to 110 liters of milk daily, averaging 105 liters per month, with a high percentage of proteins and fat. What an extraordinary phenomenon could be achieved! Ubre Blanca's DNA is being preserved alive at minus 180 degrees. It could be possible to reproduce such a cow. This is a possibility and is not a fantasy.

What biology has achieved so far could be called fantasy with the help of other sciences, of course. That could not be done until today when we are able to perform all those analyses and others. I believe this is an example I can give our people, an idea of the importance this science has. In agriculture, bacteria could be produced which would fix nitrogen, as is the case today with legumes, which receive nitrogen from the air by means of an association of nodular bacteria that fixes the nitrogen and receives energy from the plant. In the future, bacteria of this type could be obtained to fix the nitrogen in cereals. Can you imagine what that would mean? In other words, fertilizing with bacteria. As you know, fertilizers are very expensive for so many peoples, and they are essential in high agricultural yields, including those new varieties which need fertilizers, or are not able to display all their potential.

There is talk about genes which would even make possible the fixing of nitrogen directly by the plant itself. That is enormously important. But not only in that field, it is needed also in the production of proteins in direct human consumption, or indirectly through the animals. Our country has 12 plants producing proteins using cane molasses, and part of our poultry is fed with the torula we produce from our plants. We have a certain advantage in this area. But it would be extraordinary if proteins could be produced from the straw of corn, wheat, rice, and cane. The possibility of producing protein using bagasse is there. Today we are using it for something else, but this would be more valuable.

Imagine that the hungry world could someday produce protein from all these byproducts of agriculture. That is of enormous importance. They produce many other materials. I mentioned alcohol, reagents, enzymes both for restriction and modification, as Limonta explained. The market is enormous and the need for them is great throughout the world, even biotechnological research requires it. Industry needs it. In addition, these sciences are used in solving environmental problems, in the degradation of waste which could be polluting, even oil that could spill. Recently, we had precisely that, an oil spill, in Cienfuegos Bay. Enormous efforts were made to prevent pollution, a serious damage to the production of shrimp in the bay.

Biotechnology has a lot to do in the production of energy, and alcohol is being produced using bioltechnology. Efforts are being made to develop the production of alcohol using agricultural waste, and I am sure it will be attained. I believe that more important for the Third World is the production of proteins using agricultural waste. This new science also leads to a new industry directed at achieving the application of research work conducted in this field. This means the development of laboratory equipment, and we have the possibilities based on the fact that the comrades at the CENIC [National Center for Scientific Research] have produced excellent equipment, such as the (Suma). This demonstrates the possibilities of such equipment as the (Medicit) and other similar equipment.

Based on those accomplishments, we are building the new (Inmunoensayo) Center. That ulterior step should be given special attention to make good use of all these research activities.

In addition, this center is located in a geographical center where there are other important centers. For example, the Frank Pais hospital, the best in the country is there, a Latin American school of orthopedics. We have the CIMEC [no expansion provided] not far from here. There are two. We have the Finlay hospital, which is being expanded, not far from here. It can be seen from here. We have the Marianao maternity hospital, the ophthalmological center, which is the best in Cuba and is being enlarged, and where very modern techniques are being introduced. Five hospitals! Then there is the new children's hospital under construction not far from here. Six hospitals! And there is the West Havana hospital that will be built 300 meters from here. We will have seven hospitals, several of which will be new and the best in the country! Seven hopitals! A school of medicine, the Victorial de Giron, eight! Three important scientific research centers, the CENIC. This center together with th Center of Tropical Medicine under construction make 10! Two smaller centers, which are the Center Institute of Biology and the Immunological Research Center [Inmunoensayo], construction of which is beginning. That makes 12. And, finally, it is possible that not far from here will be built in the future a research center for the pharmaceutical industry, to attend to the chemical side, inasmuch as this center is concerned with the biological side. These make up the two basic branches on which the development of the pharmaceutical industry is based. Today, we have work with the chemists of the CENIC.

We are thinking about integrating all these institutions into a front, not into one administration, into a scientific-technical-medical front. We will try to get all these hospitals to do research work too, with the support of these centers. These two giants have two electonic microscopes of the most modern type, to mass spectrophotometers [as heard] so that if one breaks down the other can be used. We intend to associate these two centers very closely, that of genetic engineering and biotechnology and the CENIC. We may possibly have 13 centers here with which we will organize a front, with someone to coordinate them who will get them to meet systematically. Because they belong to different institutions, they should program and coordinate among themselves the research work, the exchange of information, and mutual support.

As I explained, this center will have a hotel with 105 rooms for students, for collaborators from abroad, and for people coming here to study at this center, including Cubans also. We intend to have other centers such as this one. Possibly we will work on building a biological research in Camaguey, later on in Santiago de Cuba, in the center of the island, in the eastern end. This will become the central installation of a number of other much smaller units to develop this type of research work in other places of the country. This is not too expensive. The construciton and equipment might be expensive but after that, it depends on the brains, people with talent, with capability, with will to investigate. Thus, we are going to do genetic engineering and biotechnology in these two centers, but we should also do it in the Censav [plant health center] and wherever we can do it, in those important provinces which do not have research centers -- we are not going to have them all in the capital. We will build smaller centers of genetic engineering and biotechnology with will operate in close coordination. We will train many people. It is a very ambitious plan. The most advanced countries have thousands doing research work in this field. We should participate in it. The United States has 150 firms doing work in the genetic engineering and biotechnology field. Estimates indicate that some 50 firms will go bankrupt, that some new ones will begin operations. So the more advanced countries in this field are working in many centers.

You saw here the Soviet comrade who mentioned many biotechnology centers existing in his country. I believe there is something more important than this center, than its material base, than its equipment. I say this very sincerely, it is the personnel who will work in this center.

Not only is this center going to be a pioneer -- the pioneer was the center of biological research, not only is it going to be a vanguard center in biotechnology, it is going to be vanguard among the scientific research centers of our country. Since the creation of the biological research center, since the first physicians went there to learn how to make interferon, since we clearly saw that many human lives could depend on the work of the researchers, the principle of working day and night, morning and afternoon, and Saturday and Sunday, that is, a nonstop schedule was adopted. The concept of the work of the scientific research worker was changed.

I do not believe it will be easy to take this spirit to all research centers, perhaps with time as we continue to progress in that field. But I believe this center is going to be a model of that work spirit.

It is not right to argue about hours of effort when the lives of many persons may depend on the work we are doing. In this way, a new concept of scientific work was created, without work schedule. This is really a revolution. I do not know whether we will be successful in inoculcating this in all the others. But this center has it and I am sure it will maintain it. Sometimes I think of them as the priests and nuns of science. They live in the monastery of biotechnological research, without abstinence, that is marriage among is allowed. [laughter] Let us say without celibacy.

Near this place a community is being built for this center's workers. We hope it will also house the workers of the rest of the research centers as they begin to adopt the same philosophy the genetic engineering and biotechnical center has, as well as the medical school cadres, and the main scientific cadres of the seven hospitals. It will be built toward the southwest. If there is a space between the genetic engineering center and the Frank Pais hospital, we hope to build around 2,000 to 3,000 housing units. So in a way, a great scientific community will be created in this area. You will be so close that you will only have to walk 3 minutes to get from your homes to here.

When we say there are no fixed hours, this does not mean you have to be here. A large number of you are studying, and you are given every chance to do so. THey may tell you to go home to study. This is a new concept. This concept is based on the total consecration to research work, which is what we are asking for.

This is a generation of scientists who will have to make sacrifices in this field and all other fields. I believe that in the field of science we have to work seriously. We have many institutions, but we have erroneous concepts that must be changed, that must be revolutionized. There are still a lot of people who study, who are in a research center. We gave them the university to some agricultural research centers, and some of them work well. But there are also a lot of people who think more about their masters and doctorates than in the objective, practical and important things they must do. Many do research work related to their doctorates instead of subordinating their doctorates to the objective interests of scientific research and of the country. [applause]

This center has to be a model of this, and the doctorate can be sought when it becomes necessary, even if a lot of knowledge is required. But all other interests must be subordinated to research work. We must really revolutionize concepts in the field of research. Comrade Rosa Elena knows it and is working in that direction. For the academy of sciences it will have extraordinary value that you become vanguard members not only in the branch, but also vanguard members in scientific research work as well as an example.

I am going to give an example so you will understand better. This center will have about 170 or 180 high-level professional researchers. It will have about 100 medium-level technicians, and only 80 workers of all other kinds. A minimum staff has been provided, and the most ambitious program has been drawan up to maintain the center with a minimum of 80 persons. There will be approximately three researchers for each worker in other fields. The national average is about 10 in other fields for one scientist! We have begun with the minimum. A few more may be added. But I am sure that this center will not have more than 400 employees in any case.

This means we can build housing. We can provide better living conditions to this center's workers, who without argument will deserve them. We can even provide a somewhat better salary, even though this center's workers do not work thinking of their salaries. They have not had different salaries in the last 4 years. But we are going to establish some small salary increases as an expression of society's consideration and respect for their work. We can always resort to the collateral index [coeficiente ramal].

In this case, we have persons trained to do several jobs, as has been said here. The comrade came here to translate despite the fact that it is not her work at the center. This concept is applicable even to the director, who is director and also has a laboratory and does research work, if they let him. And I hope he is able to. This principle allows us to save a lot in personnel and provides great advantages. Let me give you an example. The CENIC, our neighbor -- we built it 20 years ago when we knew very little about science, when scientifists told us whatever they wanted to say and we believed them, now they continue to say but we do not always believe them, or at least we try to examine what they say -- had a payroll of 1,400 workers. It is much smaller than this center. It had filled almost 1,200 of them, because there are few people, the number of positions is greater.

They have undertaken a policy of rationalization. Little by little... [leaves thought unfinished] today they have fewer than 1,000 workers. I hope that these two centers, together with the biological research center -- which will have 60 workers -- together with the Inmunoensayo center and the factory of equipment for the ultramicroanalytic center -- which will have 86 workers -- all four of them in the end will have fewer workers than all the workers in one of those centers. I believe, if man works, if there are multiskilled workers, if there is dedication, this is possible.

This is not an obligation. I do not tell the CENIC personnel we are going to impose this on them. That is not the way we work. We expect that your example will have a possible impact on the other center, as it is already having. There are more than 200 CENIC workers who have already adopted your work concepts and are consecrated to research work. There are very valuable comrades, very valuable researches in that center who have had good results with the previously mentioned equipment. We do not underestimate that research center. We hope that some day -- not through administrative measures -- they will have the same concept you have through persuasion, conviction, and enthusiasm.

I believe this spirit has to be taken to the university, to the Institute of Tropical Medicine, to the one being conceived for the pharmaceutical industry, to the hospitals. We must take it everywhere. Someday it will have to be taken to all scientific research centers in the country. I believe that we really have to revolutionize the concepts of the way we work. We have discussed this a lot in recent days. On this, there is an ongoing effort in our country. I feel optimistic about the results we are going to attain. But I repeat, you have a strategic value in this struggle.

You who initiated this concept, this new concept, this revolution of the way in which one must consecrate himself to research and develop scientific research... [changes thought] for this reason, this research center is a revolutionary experiment on how to work, a social experiment of great importance, and our party is going to keep a close watch.

I am full of confidence. I am as confident as you are enthusiastic. I am as confident as you are young. I hope that our visitors have seen the extraordinary youthfulness of the workers at this center.

The comrades have been selected for their merits and qualifications, and we must continue to select that way. This year we will begin to work with half of the scientists and we will continue to select the best from the universities, from the new generations that graduate. A principle of continuous renovation must be applied. No matter how much we love our work, we must observe a law, a principle we must follow: those who come to a standstill in research must give up their place to others. Those who come to an end, must give up their place to a new one, so that we will never check the progress of new values emerging from our people and our youth. [applause] That process of continuous renovation will make it possible for us to enrich our system with the best of the new generations of scientists.

I believe this should be a principle applicable to all scientific research centers. It is necessary if we want to advance what is necessary to advance. If we want to make the jump that all underdeveloped countries must make, if we want to fulfill our duties to ourselves and to the Third World countries, we must do it. We should not be guided by speculative ambitions. We work to resolve important problems of our country, but in this field we work with a spirit of solidarity toward the Latin American countries, toward the Third World countries, toward the countries in the rest of the world.

As soon as we have, no matter how small, a scientific accomplishment in any field, above all if it deals with health, we will offer it to other countries. I do not know if we will ever register a patent, or some discovery, I do not know. We have to think of helping other countries. We are aware of the situation they are traversing. It is tragic. It is simply dramatic, worse than ever before.

Some speakers talked about the foreign debt and the problems and catastrophes. In many Latin American countries, the health indicators are worsening over previous decades. The nutrition problems are worsening everywhere. I believe that the sciences and, above all, biotechnology among the sciences, will help or could extraordinarily contribute to the solution of these problems.

Suffice it to say we will cooperate with the United Nations, with the WHO which has honored us with the presence of its director general, with the UNIDO which has honored us also with the presence of our representative, with the UNESCO which honored us with the presence of Professor (Sasun), with the SELA which honored us with the presence of its highest official. Suffice it to say that all institutions may count on our cooperation, our exchange of experiences. India and other Third World countries and India's genetic engineering and biotechnology center may count on our cooperation in this or any other field. We must be very aware that we will work for us and for other peoples. The motivations should be greater. We will not only think about 10 millions Cubans, we will think about thousands of millions of men and women in the Third World who could benefit from our modest effort. We will not try to make all discoveries, make all the progress, but we will make a contribution. There are thousands of scientists throughout the world working in this field.

We are a socialist country. Our institution is socialist. It does not have commerce as a goal, however we will greatly benefit economically if we develop new varieties of cane. Or, if some of the varieties we have lost, such as the Nos 4362 to 8751, excellent producers of sugar which were destroyed by a plague -- perhaps through tissue culture we could have saved them and perhaps someday we will save them, those and others -- varieties capable of resisting plagues. If our country develops a new variety for sugar production, it could extraordinarily benefit by developing a vaccine. We could benefit with a vaccine against the meningococcic meningitis. Just with that many persons could be saved every year, and provide much peace in the minds of the families. That could be estimated statistically, mathematically. We could benefit a lot and, in addition, help others with any vaccine of service to humankind.

Today, efforts are being made to find a vaccine against malaria because of an increase in cases of the disease. The parasites have achieved a resistance to existing chemical products. How many persons throughout the world would benefit if one of these centers, this one, or one in the USSR, or France, England, or the United States, would develop a vaccine against malaria? The benefits cannot be estimated, they are incalcuable. I believe this should a motive of satisfaction for you to know that we can make on of thses contributions to those international efforst. You know we criticifze what we do wrong, and these are many. But we also appreciate all that is done well. We hope that the struggle between those who do things well and those who do not will be won by the first, will be won by those who work, such as you.

And finally, because I have spoken quite a lot, too much for the last speaker of a long list of speakers, I want once more to thank all of you -- the workers who built this center, the guests for honoring us with their presence -- and want to express my satisfaction. This day is not only a holiday for science, ad Dr Mahler said, I believe it is also a holiday for cooperation between the peoples and a holiday for peace. Thank you [applause]

REPORTAGE ON ANPP 10TH MEETING 3-4 JULY

Castro at 3 July Session

FL040306 Havana Television Service in Spanish 0000 GMT 4 Jul 86

[Text] At the time this newscast was prepared, the afternoon session [3 July] of the 10th regular period of sessions of the National Assembly of the People's Government [ANPP] had ended. The last report which was presented and debated was the one regarding the report to constituents of the republic's attorney general's office. The document brought up a discussion of the country's housing construction problem, not only the one which the micro-brigades are working on but the ones some citizens have built illegally. Commander in Chief Fidel Castro talked about the subject.

[Begin Castro recording] Consider that. make estimates, because I believe very little is loaned. [as heard]

[unidentified delegate] After you told us about it, Commander, we coordinated with bank comrades and credit was raised to 5,000 pesos for housing construction as you indicated, with the low interest you mentioned.

[Castro] Well, we do not have to establish limits, it could be 500 [pesos] more. Let's find out how much does it cost to build a unit. It could be a little larger, we could control the material, we can allow for upstairs construction to be done.

We have to set guidelines. Damian [not further identified] talked about these problems. The occupation of an area is a result of a certain need. That is why I asked who they were because in reality an individual who gets more and has that kind of [housing] problem can be compelled to commit that violation because he has no other choice. We have to strongly combat illegalities and indisciplines but, at the same time, we should not only solve problems by combating illegalities and indiscipline. We have to analyze the causes that drive people to commit those illegalities and find solutions and see where the most difficult problems are. You as the housing institute should know everything about housing in order to see in which provinces we have the most serious problems, in which province a certain policy needs to be implemented so that when the annual plan is drawn up we can provide a little more material to one of those critical provinces, a little more for construction.

Of course, the most critical situation has developed in the capital. What people do is that more and more people are living in one house. It is an explosive problem, the one that has been created here because of the lack of housing construction. I was saying today that Moa is building 25 percent more housing than the ones being built in the capital of the republic.

I believe that a capital with a population of 2 million cannot solve its problems -- not even to repair the houses that deteriorate every year -- by building 3,000 housing units. Someone was proposing that the other provinces help build housing in Havana. I thought it would not be fair because all the provinces have problems. They are not going to like the capital which forces them to build here. I believe there are enough people, enough workers with skills which are no longer needed but remain in the payroll, enough bureaucracy, and enough overstaffed work centers to build all the housing the capital needs. With that we spare the risk of those who come and may stay here. [end recording]

Meeting Continues 4 July

FL042151 Havana Radio Reloj Network in Spanish 1802 GMT 4 Jul 86

[Excerpt] The morning session of the National Assembly of the People's Government [ANPP], which has had the active participation of Commander in Chief Fidel Castro, has ended with a deep analysis of the main aspects of the work performed by the Supreme People's Tribunal.

The party first secretary showed interest in learning about procedures which are followed in discipline cases and measures taken according to the seriousness of the cases. During the debate, Public Health Vice Minister Dr Eigo Cobelo reported that the ministry is extensively reviewing everything related to medical certificates issued to workers in order to eliminate deficiencies.

During the morning session, bills modifying the electoral law and municipal assembly regulations were approved.

Roberto Veiga underscored the importance of internal disciplinary regulations. He said they are examining discipline violations which most commonly occur in hospitals and that they are working hard in completing disciplinary regulations for those health institutions.

Contra Aid Condemned

FL041908 Havana Television Service in Spanish 1700 GMT 4 Jul 86

[Text] As this telecast ends, we are advised that the National Assembly [ANPP] has approved a document presented by Deputy Rene Rodriguez which condemns the decision of the U.S. Congress to grant $100 million to the Nicaraguan counterrevolution to intensify the dirty war it is waging against Nicaragua.

[Begin recording] [Unidentified delegate] It constitutes a taunt at the efforts and will of the Latin American countries who clearly and repeatedly have worked through the Contadora Group and the Support Group to find the necessary negotiated political solution to the situation in Central America. [end recording]

Message to Brazil

FL042337 Havana Radio Rebelde Network in Spanish 2300 GMT 4 Jul 86

[Text] The report submitted to the 10th period of sessions of the National Assembly of the People's Government [ANPP] has been approved with a special acknowledgement to Havana Province for the positive work it has done during the last few years. The ANPP has been meeting since yesterday with the presence of Commander in Chief Fidel Castro.

Another significant moment was the delegates' approval of a message sent to the Brazilian Parliament on the occasion of the reestablishment of diplomatic relations between Cuba and Brazil, which was read by ANPP Vice President Severo Aguirre.

After an in-depth analysis, the 454 delegates approved the report submitted by the Supreme People's Tribunal. Regarding labor indiscipline and especially the absentism issue, Commander in Chief Fidel Castro said:

[Begin Castro recording] Undoubtedly, I believe that one of our legislation's weaknesses is that it establishes almost the same kind of sanction to all type of workers. I believe that indiscipline in a hospital is more serious, it has many more consequenes -- she who has to give an injection, a nurse who has to take care [of a sick person] and leaves. That is not as easy as leaving a lathe in a factory. [end recording]

During the third working session, the deputies also approved a report submitted by the republic's Attorney General's Office, bills that modify the electoral law, and municipal assemblies regulatory norms.

Meeting Ends

FL050209 Havana Television Service In Spanish 0000 GMT 5 Jul 86

[Editorial Report] Havana Television Service in Spanish at 0000 GMT on 5 July, on the national Cuban newscast, announces that the 10th regular period of sessions of the National Assembly of the People's Government [ANPP] has ended 1 hour ago.

Castro is seen praising the work of Havana Province and notes its contributions to the people such as milk, potato production and other agricultural food. The announcer mentions that the subject of labor indiscipline was also discussed during this last ANPP session. Havana Province requests the honor of hosting a 26 July main ceremony in the future.

President Castro says that if they are not hit by another natural disaster such as a drought or hurricane, he expects that the supply of agricultural goods will increase. He admits that part of the rice supplies will come from abroad. He says the Soviets offered them 30,000 tons of rice and that Cuba requested a long-term rice credit of 40,000 tons. With this, he notes the rice supplies for 1987 and 1988 will be guaranteed. Castro refers to the mission of high quality fruit enterprises in supplying international tourism centers and parallel markets. He indicates that he met with cooperative members and encouraged them to sell their goods to the parallel markets instead of the former peasants' free markets. He expresses that he is very pleased with the meeting he held with the peasants and with the measures that are being taken to organize the agricultural goods supply.

AMBASSADOR SOTO ENDS TOUR IN MOSCOW 4 JULY

FL042223 Havana Radio Reloj Network in Spanish 1820 GMT 4 Jul 86

[Text] Lionel Soto, Communist Party of Cuba secretary and ambassador to the Soviet Union, today departed for Havana after fulfilling diplomatic functions for almost 3 years, government, and state officals, has been received during the last 2 weeks by numerous leaders, including Foreign Minister Eduard Shevardnadze and RSFSR Prime Minister Vitaliy Vorotnikov.

Peter Demichev, USSR Presidium first deputy chairman, decorated Soto with the Friendship With the People's Order, which has conferred to him on 16 July for his active work in strengthening friendship and cooperation between the USSR and Cuba.

BAHAMAS

PLP DEFEATS FNM IN BY-ELECTION; RESULT CHALLENGED

FL051526 Bridgetown CANA in English 1703 GMT 4 Jul 86

[Text] Nassau, Bahamas, July 4, CANA -- Prime Minister Sir Lynden Pindling's Progressive Liberal Party (PLP) retained a parliamentary seat in a by-election here this week, seen as a crucial popularity test for the government after a major drug-related corruption scandal two years ago.

But the main opposition Free National Movement (FND), led by lawyer Kendal Isaacs, alleges the poll was fraught with irregularities and plans to challenge the result of the courts.

The PLP's candidate, Dr Matthew Rose, polled 937 votes to win the St Barnabas seat compared with 610 for the FMM's Edmund Moxley, a seasoned campaigner. Some 1,547 registered voters out of a total of 2,972 cast ballots.

In the general election of 1982, the PLP candidate, Sinclair Outten, whose death caused Monday's by-election, won by exactly 300 votes.

A general election is due by September 1987, but is widely expected this year.

BARBADOS

FOREIGN MINISTER DISCUSSES RELATIONS WITH U.S.

FL032142 Bridgetown CANA in English 2313 GMT 2 Jul 86

[Text] Bridgetown, Barbados, July 2, CANA -- The new Barbados Government, headed by Prime Minister Errol Barrow, wants to maintain the normal friendly relationship the country has long had with the United States, according to Foreign Minister Cameron Tudor.

But Tudor says Washington must recognise that the independence of Barbados and the sovereignty of Caribbean states are an ongoing commitment of the Bridgetown government.

What this government wishes to emphasize -- and we say this to the United States as we say to other powers -- (is that) the indpendence of Barbados and the sovereignty of Caribbean states is an ongoing commitment to us and so long as this is recognised and is not offended in any way, there's no reason why Barbados and the United States on the one hand, and Commonwealth Caribbean states and the United States on the other, cannot coexist and live friendly in the warmest possible relations.

Tudor was speaking in a wide-ranging interview on the new government's foreign policy, broadcast on the privately-owned Voice of Barbados Radio.

We have normal, friendly relations with the United States and we'd like to keep it so, he said.

In view of repeated criticism by Barrow of U.S. policy in the region, some observers had pointed to a possible major shift in Bridgetown's policy towards Washington.

On ties with Britain, the former colonial power here, Tudor said while the relationship was normal, Barbados was disturbed by the racial situation there.

Government was seeking through diplomatic channels in an ongoing process to have this question addressed, he said.

Tudor was critical of Britain's opposition to tough sanctions against racially-divided South Africa. He said: We are going to have to speak very firmly over minds to them on the South African issue because this is coming to a head.

Tudor said the new government welcomed the shift towards democratic, stable governments in Latin America. This trend could help facilitate a closer relationship between Latin America and the English-speaking Caribbean, he said.

Looking at the Central American crisis, he expressed the government's wholehearted support for the peace process of the four-nation Contadora Group. We would like to support all their efforts, he said.

Asked if he saw an active role for Barbados and other Caribbean Community (Caricom) states in helping Haiti's return to the democratic fold, Tudor said: When a society is undergoing fundamental change as is now the case in Haiti, it is best to stand ready to help if called upon and not to interfere too much.

HAITI

DUVALIER DISMISSES ACCUSATIONS OF THEFT

AU041551 Paris AFP in English 1214 GMT 4 Jul 86

[Text] Paris, July 4 (AFP) -- Deposed Haitian President Jean-Claude Duvalier, who has been accused of extorting millions of dollars worth of public funds from his poverty-stricken nation, Friday denied that he had enriched himself at the expense of the people.

In a letter from his exile home in southern France to the Paris daily LIBERATION, Mr Duvalier said estimates of his personal wealth should be divided by at least 50. "I don't believe anyone can take seriously these bizarre tales that I dealt in arms or smuggled drugs especially when I mercilessly hunted drug traffickers in Haiti," he wrote.

He dismissed claims by the current Haitian government that he had amassed more than 900 million U.S. dollars from public coffers. "(the claims) should be divided by 50 or more," he said, adding that his major assets: a farm, a seaside mansion, some property and an important collection of art, were still in Haiti.

He admitted that some receipts and payments had not been accounted for and that the Presidential Palace had received cash from various sources. But he insisted this was for the use of the armed forces and for social welfare. He said he would gladly testify before a court "in a civilised country."

Mr. Duvalier and his family fled in February after his government collapsed in the face of a popular revolt and pressure from Washington. He was given 'temporary' exile in France until a suitable host country could be found.

DAILY REPORT

Latin America

Vol VI No 130 8 July 1986

ARGENTINA

President Alfonsin on Military Role in Society B 1
Caputo Says Alfonsin Philippine Trip Still On B 4
National Police Plane Crashes With VIP's Aboard B 5
Aerolineas Argentinas Dismisses All Pilots 5 July B 5

BOLIVIA

Radio Station Destroyed by Explosion 7 July C 1
Senators Return From Visit to PRC 4 July C 1

BRAZIL

Sarney Departs for Official Visit to Italy D 1
Sarney Confirms Scientific Agreement With U.S. [O GLOBO 5 Jul] D 1
Delegation of Legislators To Visit USSR D 1
  Guimaraes Withdraws D 2
Anti-Crime Pact Signed With Argentina [O GLOBO 4 Jul] D 2
Satellite Program Reported on Schedule D 2

CHILE

Foreign Ministry Denies Spy Network With UK E 1
PCCh Will Accept Military Transition Government E 1
Further Reportage, Comment on 2-3 July Strike E 2
  Radio Station Ban Lifted E 2
  ANC Leaders Barred From Leaving E 2
  9th Region Leader on Strike E 3
  TU Leader Comments [London MORNING STAR 3 Jul] E 3
  Miners Leader Admits Failure E 5
Church Asks Armed Forces to Foresake Violence E 5

COLOMBIA

Pope John Paul II Ends Visit With Airport Speech F 1
EL TIEMPO: M-19 Attended Libya Meeting in March [29 Jun] F 1

PARAGUAY

Italy Requests Extradition of Terrorists [EL DIARIO 5 Jul] H 1
Colorado Party Not To Participate in Dialogue [EL TARDE 3 Jul] H 1
PLRA Convention Elects New Party President [HOY 7 Jul] H 2

Police Chief Denies Laino Abuse Charges [HOY 5 Jul] H 2
EL PEUBLO Views Incident [2 Jul] H 4
PRF Criticizes Expulsion of Radio Director [EL DIARIO 4 Jul] H 6
Briefs: January-May Inflation Figures; Exports Decrease H 6

PERU

Republican Guard Chief Returns to Active Duty J 1
Bus Reportedly Hijacked in San Isidro J 2
Interior Minister Denies Report J 3
MRTA Car Bomb Believed Directed at U.S. Target J 3

MEXICO

Reportage on 6 July Elections; PRI Claims Victory M 1
Chihuahua Results M 1
Durango Results M 1
Zacatecas Results M 2
Michoacan, Campeche Results M 2
Foreign Secretary Leaves for European Visit M 3
Finance Secretary Reports on Visit to U.S. M 4
1986 Financial Commitments To Be Fulfilled M 5

CENTRAL AMERICA

EL SALVADOR

Venceremos Reports June Casualty Figures P 1

GUATEMALA

Cerezo Calls for Domestic Peace, Exiles' Return P 1
Cerezo on Personal Influences, DCG Doctrine P 2
Hernandez Views Guerrillas, Development Roles P 3
Leadership Disavowed for Condeca Revival P 4
Army Denies Guerrilla Role at Quezaltenango P 5

HONDURAS

Bishop Vega Reports on Expulsion From Nicaragua P 6
Entry of Nicaraguans, Libyans, Others Restricted P 6
Contreras Sends Letter to Contadora Group P 7

NICARAGUA

Government Issues Warning to News Media [AFP] P 8
Opposition Protests New Political Restrictions P 9
LA PRENSA, Priests Cited [ACAN] P 9
Peace Plan Proposed [ACAN] P 10
Nunez Calls Meeting [ACAN] P 11
Austria Opens Diplomatic Mission in Managua [Vienna WIENER ZEITUNG 2 Jul] P 12
New Zealand Labour Party President Visits P 12

CUBA

GRANMA Views 'Yankee Conspiracy' Against Panama [Marrero, 5 Jul] Q 1
Judicial Assistance Protocol Signed With USSR Q 2
Malmierca Calls for Sanctions on South Africa Q 2
Risquet Receives Zimbabwean Education Minister Q 2

CARIBBEAN

Caricom Conference Ends, Communique Issued S 1
    Anti-RSA Statement Issued S 12
    Dominca's Charles on Conference S 12
    Seaga Rejects Political Integration S 13
Commonwealth To Appoint Trade Advisor to Caribbean S 14

ARUBA

Economic Affairs Ministry Berlinsky Resigns S 15

JAMAICA

Clash Between Rival Political Parties Reported S 15
Seaga Designates CDU Executive Secretary S 15

ST LUCIA

Pope John Paul II Leaves Castries for Rome S 16

TRINIDAD-TOBAGO

Economic Relations, Projects Discussed With PRC S 16

PRESIDENT ALFONSIN ON MILITARY ROLE IN SOCIETY

PY080304 Buenos Aires Argentina Televisora Color Network in Spanish 0009 GMT 8 Jul 86

[Speech by Argentine President Raul Alfonsin to government and military authorities at the annual Armed Forces Independence Day dinner at the Casa Amarilla in Buenos Aires -- live]

[Excerpts] I am very honored to share with you the traditional meal with which the Armed Forces commemorate the anniversary of our independence.

Under the specific circumstances the nation is experiencing, I am compelled, as commander-in-chief of the Armed Forces, to address my men with the firmness, loyalty, and humility required by the duty of my position.

When we met last year to mark the independence anniversary, I recalled that the modern Armed Forces are an offspring of the Constitution. The Constitution establishes the role and the meaning of the existence of the Armed Forces within the overall program to build and preserve the nation.

In turn, within a disturbed, drifting society, the Constitution is a meaningless standard in which the rational and legal distribution of functions and duties is not effective. Strictly speaking, the institutions are also nonexistent. When this distribution is not effective, when the state of law is impaired. They are pseudo-institutions. They just appear to be institutions.

In our country, confusion and necessity in the past led the different sectors of society along paths very different from those outlined by the architects of our modern nation.

Violence replaced coexistence. It was a generalized violence, not only violence with weapons, but also violence disguised as speculation, as an all-out defense of sectorial interests, as the logic of every man for himself, as distrust and selfishness. There was no plan for a common nation. There were no joint efforts. On the contrary, efforts were contradictory and they cancelled each other out.

This did not happen in one day. It was a long process of deterioration which assumed different ways at different times and seemed to have no way out.

Within this context of national disintegration, political adventures, which, under other circumstances, would have had other participants or impetus, occurred. They would have been absorbed or controlled by a healthy society.

Our society was ill. It lacked motivation, horizons. It was decadent. Regarding the exhaustion of a nation's model, there were no rational, collective reactions.

Political parties, trade-union organizations, business corporations, civilian institutions, and the Armed Forces let confusion and sectarianism take over them.

The democratic system has allowed the Armed Forces to once again exercise the honorable function for which they were created by the Constitution and the laws. They have once again become the armed branch of the nation in charge of defending its sovereignty. They are once again a normal institution within a normal country which aspires to grow in democracy and pluralism.

As everyone knows, our country has exhausted a growth cycle. The period of decadence must now be replaced by a new cycle of progress, of development, and growth. This need is to be found in an international scenario that has undergone deep-seated changes in the economic and political fields while we vegetated in decadence. We must recover much lot time. The technological gap that separates us from the industrialized countries becomes increasingly wide. The price of our raw materials drops constantly in the world markets. The protectionist and discriminatory policies imposed by the highly developed countries hinder our possibilities of exporting nontraditional goods. We must overcome these obstacles in order to face the challenge of our development as an independent and sovereign country. The establishment of a new international economic order and Latin American integration are important unavoidable objectives. In order to tackle these objectives efficiently, however, we must make order in our own home, we must start our own modernization process, we must put an end to plundering, to useless efforts, to unproductive and anachronisic activities.

The president will not spare any effort until he obtains the full strengthening of the armed forces and the people to whom they owe their existence and to whom they belong. The president also wants to remind you that our ethical concept of politics does not allow us to visualize another image to bequeath our children than that of a united society, free from reconciliation problems. Society must understand that the past times and rancor have remained behind and that the future and life lie ahead of us.

I am aware that the Armed Forces have contributed and continue to contribute with their own quota of sacrifice to this great national effort. Its men share, with the rest of the country, the restrictions imposed by their insufficient income and the deficient structure with which they have to carry out their own tasks. I am aware, and probably the entire citizenry is also aware, that this participation -- in the midst of great difficulties and sacrifices, restrictions and ever-increasing duties -- only confirms the expections that encouraged us when, at the beginning of our administration, we explicitly stated our conviction that the basic principle of the relationship between the commander and his men was based on the concept of obedience as the adequate balance between liberty voluntarily given up and the authority decidedly exercised and the concept of loyalty as a two-way path, which spiritually links the high-ranking officers and subordinates in the mission of defending the nation's sovereignty and the institutions.

Certain that it is essential to achieve Argentina's greatness in order to be able to aspire to a future that will be worthy of living, the national governoment has repeatedly expressed its decision to modernize the country as a priority national objective. But this must not be an affirmation made unilaterally by the government. We Argentine citizens must discuss the purpose and scope of the modernization of our society. There might be disagreements, there should be disagreements. Mankind does nothing serious without assessing various possibilities and without confronting interests, aspirations, and needs. But it is difficult, if not impossible, to think of a future for our country that does not entail modernization. We have been left too far behind during the past decades by the progress made by the great developed nations of the world. We ourselves have been responsible for losing opportunities, we have been deprived of or denied others. The development of the world market has always created more negative conditions for those who have been neglected in the march toward progress.

The Argentine Armed Forces could no longer base their organization on a structure that may have been effective or adequate at the beginning of this century but which has been dropped by most countries. The Army, the Air Force, and the Navy -- that is, the modern Armed Forces -- can be three branches of this single tool that is placed at the service of the defense of our sovereignty and territorial integrity.

To modernize the Armed Forces does not mean only to equip them with modern, up-to-date equipment; or to renew organization plans; or to adapt their strategies to the present international political situation. To modernize the Armed Forces means mainly to achieve a correct exchange between their structure and function and the society of which they are members as part of the state apparatus. To modernize the Armed Forces also implies deep changes in their training and the hierarchy of their professionals.

We can no longer refer to the military as just men in arms. The present practice of the military demands very specific complements. As in all activities of man, the technological complexity and the complexity of social activities, demand a profound and extensive training in specific areas.

These specializations must be carried out in the heart of military institutions which must be informed on everything that is being studied and investigated in all national educational and scientific institutions.

The Armed Forces, which jointly safeguard our national sovereignty, cannot be separated from the knowledge and techniques that are being developed in other national sectors. Their professional independence cannot become a justification to deny them access to sources of training and education at the academic and university levels, which in turn will benefit from the contribution that the Armed Forces are capable of rendering in other fields.

A more fluid relation between the Armed Forces and society will not undermine military professionalism. On the contrary, it will strengthen it and it will contribute so that Armed Forces members will experience daily the recognition that all societies must render to those willing to give their lives to defend them.

This willingness for self-sacrifice, as we noted last year, achieves its true dimension and its most profound sense when the society that is defended is an organized society based on shared and legitimate values, a society that can state, as has been said, that no one can raise any weapon against the Armed Forces, because no one, except a traitor or an enemy, can open fire on them without destroying the White and Blue flag that is the symbol of the fatherland itself.

The scarcity of capital will be reflected in a policy of equipping the Armed Forces by favoring the development of the national technological efforts so that the available funds are preferably allocated to take advantage of Argentine know-how to invent and manufacture equipment and participate in high-technology projects.

The production of military equipment however, must not be considered as an activity foreign to the nation's industrial development or as an island of unrealistic prosperity.

The efforts for defense must be made using as much as possible the same tools used to build the nation in peacetime so that even if war never breaks out, the nation's development in peacetime would not have been hindered by the preparations for defense.

An integral concept of the nation's scientific, technological, and industrial policy must lead to a versatility of undertakings and projects, so that prosperity in peacetime will also represent strength in wartime.

It is important for Argentina to have new policies for defense research and production because the past ones not only have been disqualified by the painful experiences of past years but they also expose anachronisms even to the layman's eye.

There is no room for anachronistic structures in which the nation uses capital funds, industrial capabilities, and, especially skilled, thrifty and hard-working manpower.

This forces us to work with total efficiency, focusing on a new scientific and industrial defense concept.

We will have to secure signifianct contributions for civilian scientific and industrial development, and means to conduct needed military reform.

In the military sphere we have acted in a clear and authentic way, without subterfuge or false shortcuts. No doubt, making sensible moves and mistakes, we have always sought, with humility and tact, to mark a well-defined path, permitting us to detach ourselves from a dark past.

We have climbed a steep hill in this initial short time of dawning democratic rule.

We have stated our truths and acted accordingly, honestly stating our confidence in the nation's institutions.

We have shared hopes and griefs with our men-in-arms.

We have fully dedicated ourselves to solving sharp problems derived from structural deficits and serious restrictions resulting from the crisis that has affected our country at all levels.

In conclusion, we have experienced transcedental moments along with our officers and soldiers, watching their exercises and land, sea, and air maneuvers and participating in events which proved the vibrant vigor of the men who make up our Armed Forces.

Argentina is not divided into a country of civilians and a country of military; just as countries are not divided into countries of workers and businessmen; laymen or religious men; or of one party or the other.

Our country is the sythesis of substantial values and agreements that we have been able to achieve, not without difficulty, among us all. These agreements are the ones that today allow us to foresee a future filled with achievement for all Argentines, thanks to the coexistence we are all experiencing today.

This is why it is important for us to stop being a society that is haunted by the ghosts of its past, ghosts that are sometimes confronted with present obstacles and difficulties; this is why it is necessary for us to adopt a humble ethical predisposition, and to assume alongside our fellow beings who suffer, who perhaps have suffered different experiences, but who share the need for reapprochment, and the need for understanding; who share the same needs, and who are also hoping that this new path that is being followed by their brothers, will lead us to our shared dream of achieving a modern, progressive, powerful, and fundamentally united Argentina.

CAPUTO SAYS ALFONSIN PHILIPPINE TRIP STILL ON

PY070017 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2055 GMT 6 Jul 86

[Text] Buenos Aires, 6 Jul (NA) -- Argentine Foreign Minister Dante Caputo said today that the political situation in the Philippines "is being evaluated" by Argentine authorities and that "for the time being there is no reason to suspend" the trip President Raul Alfonsin is scheduled to make there.

He said "we are closely following the situation in the Philippines." In a statement to NOTICIAS ARGENTINAS, Caputo said "we are contacting our embassy in Manila, and the information we have is that the situation there apparently is under control.

News agency reports today reported a coup attempt against Philippine President Corazon Aquino. The reports said that the coup was led by followers of former dictator Ferdinand Marcos.

Caputo said that "there is no reason to make any changes regarding the president's trip. We have not even considered the possibility."

Caputo also said that officials at the Foreign Ministry are in constant contact with the Argentine Embassy in the Philippines and that these contacts will continue at least until midnight tonight.

Alfonsin is scheduled to start a tour through Japan, New Zealand, the Philippines, Saudi Arabia, and Portugal on 10 July. He is scheduled to return on 23 July.

NATIONAL POLICE PLANE CRASHES WITH VIP'S ABOARD

PY041842 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1645 GMT 4 Jul 86

[Text] Buenos Aires, 4 Jul (NA) -- A National Border Police airplane that was flying from Paso de Los Libres to Buenos Aires reportedly has crashed. Some high-ranking national border police officers reportedly have been killed.

According to several sources, General Arturo Lopetegui, commander of the national border policy, was aboard the Piper Aztec PA-38" that crashed.

Also aboard the plane were another general and two majors in addition to the plane's crew. Four persons were killed and three injured.

AEROLINEAS ARGENTINAS DISMISSES ALL PILOTS 5 JULY

PY052136 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1520 GMT 5 Jul 86

[Text] Buenos Aires, 5 Jul (NA) -- Aerolineas Argentinas today dismissed all its pilots by sending 111 telegrams this morning. Four hundred-fifty such telegrams have been sent in the past few days as a result of the government decision to declare illegal the indefinite strike by the pilots of this airline.

A spokesman of the Airlines Pilots Association (APLA) today disclosed that the telegrams announcing the latest dismissals "had not been received," despite the announcement by Aerolineas manager Horacio Domingorena that they had been sent.

Aerolineas Argentinas General Manager Oscar Cicalesi yesterday asserted that "anoher" 40 candidates, which the appropriate qualifications, had responded to the airlines' call to fill the vacancies. He said that in addition to these 40 candidates, another 32 had already applied on 3 July, and that there are "150 on the waiting list."

RADIO STATION DESTROYED BY EXPLOSION

PY071851 Paris AFP in Spanish 1752 GMT 7 Jul 86

[Text] La Paz, 7 Jul (AFP) -- The owners of Radio Loyola Cultural Action [Radio Accion Cultural Loyola -- ACLO] have reported that their station was completely destroyed when two large bombs exploded early this morning in the city of Tarija (958 km south of La Paz).

They reported that five hooded individuals entered the radio station; beat and tied up the night guard Tomas Orosco, who is now in a coma; and destroyed the equipment.

Although it is yet not known who the criminals are, the radio station has received telephone threats during the last few days from some conservative political parties.

Radio ACLO, which belongs to the Bolivian Jesuit priests, has the largest audience in the region, which includes the southern Bolivian departments (Tarija, Chuquisaca, and Potosi) and part of northern Argentina. It is dedicated to improving the living standards of the peasants.

SENATORS RETURN FROM VISIT TO PRC 4 JULY

PY042333 La Paz La Red Panamericana in Spanish 1700 GMT 4 Jul 86

[Excerpts] Bolivian senators who had traveled to the PRC returned to the country a few hours ago. Upon their arrival Senate President Oscar Zamora Medinacelli said the PRC is interested in economically supporting Bolivian iron exploration at El Mutun Mine, and announced that a PRC official delegation will visit Bolivia in the next few weeks. Here are some comments by the senator:

[Begin Zamora recording] During our visit, we have had the opportunity to frankly exchange ideas with representatives of the Chinese Popular Assembly. During this exchange of ideas, we found that we agree on many topics. We agree on policies that must be upheld by our countries, that is Third World countries, regarding upholding world peace and making a common stand on issues that affect Third World countries, such as the foreign debt. [end recording]

Senator Zamora Medinacelli then said that the CPC has expressed its willingness to support Bolivia during its current critical situation. He said that the ties between the peoples of the two countries were strengthened with the presence of the Bolivian senators in the PRC.

Finally, Senator Zamora Medinacelli said that the immigration of 5,000 Chinese families to Bolivia is not being organized by the PRC government, but rather it is the initiative of a private Hong Kong enterprise, which is sponsoring Chinese migration to different parts of the world.

SARNEY DEPARTS FOR OFFICIAL VISIT TO ITALY

PY072129 Paris AFP in Spanish 2123 GMT 7 Jul 86

[Text] Rio de Janeiro, 7 Jul (AFP) -- Brazilian President Jose Sarney left today at 1700 for Italy, the second European country he will visit since he assumed the presidency.

During this 3-day official visit, Sarney will meet with top-ranking Italian officials, including his Italian colleague Francesco Cossiga, and with Pope John Paul II.

SARNEY CONFIRMS SCIENTIFIC AGREEMENT WITH U.S.

PY071504 Rio de Janiero O GLOBO in Portuguese 5 Jul 86 p 17

[Text] In a decree published yesterday by the DIARIO OFICIAL DA UNIAO, President Jose Sarney sanctioned the agreement for scientific and technological cooperation between the United States and Brazil which was approved by Congress last April. The agreement states that Brazil and the United States will promote a broad program of scientific and technological cooperation, according to priorities to be established periodically.

According to the agreement, the two countries will cooperate in the fields of agriculture, health, oceanography, space, meteorology, natural resources, basic sciences, ecology, engineering, and industrial technology, as well as other scientific and technological areas of common interest to the two countries.

DELEGATION OF LEGISLATORS TO VISIT USSR

PY042036 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 4 Jul 86

[Text] A delegation of legislators will leave next week for a tour of the USSR. The delegation, which will begin its tour in Moscow, is presided over by Senate President Jose Fragelli and by the Chamber of Deputies President Ulysses Guimaraes. The delegation will arrive in Moscow on 7 July. On 10 July, the delegation will travel by train to Leningrad, where it will visit collective farms, kolkhozes, and the Hermitage museum. On 14 July, the Brazilian group will return to Moscow to meet with Supreme Soviet President Andrey Gromyko.

Soviet Embassy Charge d'Affiares Vladimir (Soliarov) yesterday announced the legislator's agenda and said:

[Begin (Soliarov) recording] The trip that the delegation of Brazilian legislators will make to the USSR is to reciprocate the official visit to Brazil that a delegation of Soviet legislators paid to Brazil in 1983 [corrects himself] in 1984. I myself came to Brazil with that delegation. At that time we held talks with Ulysses Guimaraes and Jose Fragelli. During these talks, our delegation invited a Brazilian delegation to visit the Soviet Union [end recording].

The charge d'affaires also confirmed that Ulysses Guimaraes has made no request for a medical check-up in the USSR, but if such a request were to be made, it would be accepted.

In addition to Guimaraes and Fragelli the delegation is made up of the following senators: Carlos Chiarelli, Helio Gueros, Martin Filho, and Octavio Cardoso. Other members of the delegation are Deputies Gaston (Reig), Mateus Schmit, Irma Passoni, Raul Bernardes, and Hieraclito Fortes. The Brazilian delegation is expected to return on 15 July.

Guimaraes Withdraws

PY050231 Brasilia Domestic Service in Portuguese 2200 GMT 4 Jul 86

[Text] Deputy Ulysses Guimaraes will not travel to the Soviet Union. Guimaraes, who is president of the Chamber of Deputies, announced that he withdrew from the trip he was to begin tomorrow in deference to a request from the Sao Paulo and Rio de Janiero Directorates of the PMDB [Brazilian Democratic Mobilization Party].

ANTI-CRIME PACT SIGNED WITH ARGENTINA

PY050251 Rio de Janeiro O GLOBO in Portuguese 4 Jul 86 p 5

[Text] Porto Alegre -- Federal Police Director General Romeu Tuma and Argentine National Gendarmerie Director General Arturo Lopetegui signed yesterday at Paso de los Libres an agreement to fight drug trafficking and the smuggling of stolen cars across the Brazilian-Argentine border.

In Tuma's opinion, the joint action of the Brazilian and Argentine police will make it more difficult for drug traffickers and smugglers to operate along the border. Therefore, similar agreements with other neighboring countries are under consideration.

SATELLITE PROGRAM REPORTED ON SCHEDULE

PY050305 Brasilia Domestic Service in Portuguese 2200 GMT 4 Jul 86

[Text] The timetable for the construction and installation of a center for the launching of the first all-Brazilian communications satellite is being rigorously followed. This comment was made today in Rio de Janeiro by Admiral Jose Maria do Amaral Oliveira, chief of the Armed Forces Joint Staff [EEMFA] after a lecture he delivered at the Naval War College.

He confirmed that the satellite will be launched early in 1989 at a total cost of about $500 million. He also reviewed the participation of the federal government in the development of scientific research.

[Oliveira recording indistinct]

The EMFA chief today gave a lecture to officers enrolled in the Naval War College.

FOREIGN MINISTRY DENIES SPY NETWORK WITH UK

PY080157 Santiago Domestic Service in Spanish 2300 GMT 7 Jul 86

[Text] The Chilean Foreign Ministry has categorically denied the existence of an alleged British-Chilean spy network that was operating against Argentina. This was stated by a high-ranking Foreign Ministry source regarding reports from Buenos Aires, which state that during a secret Argentine Senate session, Argentine Defense Minister Horacio Jaunarena reportedly informed Argentine legislators about evidence that the Argentine Government reportedly possesses regarding an alleged British-Chilean spy network.

Reliable sources at the Chilean Foreign Ministry have categorically denied this report. They added that of the seven Chilean citizens arrested last April in Neuquen, Argentina, six have already been released by the Argentine courts and authorized to return to Chile.

Moreover, Chilean Foreign Ministry sources have noted that similar rumors circulated in late May regarding another alleged spy ring. The sources stated that this process involves seven Argentine citizens and one European citizen, all of whom are under arrest. The Chilean Foreign Ministry noted that no Chilean citizen is involved in this last process.

Chilean Foreign Ministry sources also noted that Chile and Argentina are determined to seek paths that will lead to the solution of problems arising from bilateral integration.

For his part, Argentine Ambassador to Chile Jose Maria Alvarez do Toledo has noted that there will always be biased sectors trying to create problems between Argentina and Chile. The ambassador made this statement after holding a meeting with Chilean Foreign Minister Jaime del Valle.

Alvarez de Toledo said he did not give importance to news agency reports from Argentina about certain difficulties that are affecting Chilean-Argentine relations.

[Begin Alvarez de Toledo recording] There will always be certain sectors that will be interested in creating some problems between us but I do not give them any importance. [end recording]

The diplomat also said that he had been summoned to the Foreign Ministry to talk about bilateral relations.

[Begin Alvarez de Toledo recording] (?I came here) to talk about issues pertaining to bilateral relations, which are many, and also to reassert our intention to continue along those paths that have to do with the integration of our two countries. [end recording]

The Argentine ambassador also said that during his meetings with the Chilean foreign minister, they always talked about things in general and that they were always positive.

PCCH WILL ACCEPT MILITARY TRANSITION GOVERNMENT

PY071515 Paris AFP in Spanish 1419 GMT 7 Jul 86

[Text] Santiago, 7 Jul (AFP) -- The Chilean Communist Party (PCCh) is willing to accept a military government without Pinochet for the transition to democracy, according to information made available today in Santiago.

The new position of the PCCh toward the military government that ousted the government of socialist President Salvador Allende in 1973 was announced by one of the party's top leaders at an underground press conference in Santiago, which was attended by four foreign media correspondents.

FURTHER REPORTAGE, COMMENT ON 2-3 JULY STRIKE

Radio Station Ban Lifted

PY071549 Paris AFP in Spanish 1510 GMT 7 Jul 86

[Text] Santiago, 7 Jul (AFP) -- The Santiago state of emergency zone today lifted the ban imposed on four radio stations forbiding them from broadcasting news.

Those four stations were accused on 2 July of promoting subversive actions, so they were authorized to broadcast only official reports, music, and commercials.

The measure, which was adopted on the first day of the 48-hour national stoppage organized by the National Civic Assembly, involved Radio Chilena, which belongs to the Catholic Church, Radio Cooperativa, Radio Carrera, and Radio Santiago, which are linked with sectors that oppose General Augusto Pinochet's regime.

ANC Leaders Barred From Leaving

PY070341 Madrid EFE in Spanish 2102 GMT 6 Jul 86

[Excerpt] Santiago, Chile 6 Jul (EFE) -- Chilean special judge German Valenzuela today decreed an arraignment order (prohibition to leave the country) against the 17 leaders of the National Civic Assembly [ANC]. The request was submitted by the Chilean military regime.

Moreover, the lawyers who are defending ANC President Juan Luis Gonzalez, have denied that he intends to seek asylum, as has been reported in some Santiago press circles.

The top-ranking ANC leaders are charged by the government headed by General Augusto Pinochet with being responsible for the violence that broke out during the 48-hour general strike against the Chilean regime on 2 and 3 July.

The government believes that the ANC leaders, headed by Juan Luis Gonzalez, are responsible for the violence that resulted in 6 deaths, almost 100 injuries, and about 700 arrests.

Up to now, none of the 17 ANC leaders has been "found" by the government's agents, who have been ordered to arrest them to begin the trial that was requested on 3 July by Interior Ministry lawyers.

The ANC leaders have answered the charges by noting that they called a peaceful demonstration and that "the bullets that killed and injured people were not fired by us, but by those who carry guns in this country, and they are not civilians."

"Somewhere in Santiago," Juan Luis Gonzalez said they will appear before the court when the judge assures them that they will not be treated as fugitives and handed over to the police and security services, in view of the arrest orders issued against them.

9th Region Leader on Strike

PY052123 Santiago Domestic Service in Spanish 1700 GMT 5 Jul 86

[Excerpts] Brigade General Miguel Espinoza Guzman, intendent of the Ninth Region, has referred to the acts of violence on 2 and 3 July during demonstrations in Temuco, telling the press that, quote, it is obvious that violence destroys all that the authorities build up for the benefit of the community, unquote. He added that some groups of terrorists are still persisting in their selfish interests without having time to listen to he fervent appeals by the Holy Father, who is on a tour of love and understanding in America.

The incidents in Temuco left 7 people injured, 92 detained, and damage to private property during the 2 days of demnstrations staged in the Ninth Region by the National Civic Assembly.

Meanwhile in Santiago, police and military personnel are conducting a preventive operation in the Cuatro Alamos neighborhood of the Maipu district. Soldiers, Carabineros, and plainclothesmen of the Police and Security Forces began the operation at 0630. A large sector was cordoned off, and the entry and exit of people was strictly controlled. As usual in this type of preventive operation, the identification documents of all adults were examined. Activity centered at the sports field, where all male adults were taken, and the rest of the people were checked out at home. It is expected that an official report will be released in the next few hours on the result of this joint operation.

In Valparaiso, Rene (Lugo) Escobar, president of the students federation of the Valparaiso Catholic University, was charged this morning by the intendent of the port city with breaking the state international security law.

TU Leader Comments

PM031417 London MORNING STAR in English 3 Jul 86 p 1

[Telephone interview with Chilean Workers' National Command President Rodolfo Seguel by Alan Brown and Michael Boncza on 2 July]

[Excerpt] Chile's resistance to fascism took a major step forward yesterday as a massive general strike ground the nation to a halt.

Public transport, lorries and docks across the country were reported out of action and Chilean people took to the streets demanding an end to 13 years of slavery under the regime of President Augusto Pinochet.

Speaking to the MORNING STAR from Santiago last night, president of the Workers' National Command (CNT) Rodolfo Seguel said 90 percent of transport in Chile was paralysed. Only an occasional civilian car was seen on the streets. Mr Seguel remarked. "A few private citizens who had their own transport made the journey to work."

But action in the opening hours of the two-day protest was strong indeed, he emphasised.

Pinochet's security troops were out in strength yesterday, the CNT leader said.

"The whole country has been militarised. In Santiago the streets are full of Carabinieri.

Mr Seguel said troops had not so far harassed CNT's headquarters. "Luckily we haven't seen much of them," he said.

"There has been a systematic round-up of community and trade union leaders," he stated. "And although the actual figures are not yet known, its extent has caused the Human Rights Commission to start an investigation."

Six people died in Santiago in the hours leading up to yesterday's strike. On Tuesday two women and a man died in a Santiago house after troops surrounded the building.

Official reports claimed they were "terrorists" and stated that they "committed suicide" after police arrived.

A man was shot early yesterday morning as he dug ditches to enforce the transport block alongside the comrades.

Another man was said to have died when troops opened fire on a group of Chileans leaving a house in the city centre.

And a 13-year-old girl was gunned down by soldiers in the Chilean capital yesterday morning as she ran an errand for her parents.

Nadia Fuentes died from stomach wounds after soldiers in south Santiago began firing at random, witnesses said.

Claims that the three people killed on Tuesday were "terrorists" were rejected by Mr Seguel yesterday.

"We, the workers, and other organisations in this country say that this totally false information." he stressed.

Despite intimidation Chileans moved in force onto Santiago's streets at midday yesterday for a protest demonstration.

"Initially the march was pretty successful," the CNT leader said, "but it was brutally broken up by police and troops."

Sounding confident Rodlolfo Seguel nevertheless expressed satisfaction with the first information on Chile's general strike.

"It's too early to give concrete figures," he said. But "the results are as we predicted, possibly better."

"We have received thousands of telegrams from trade unions all around the world," Mr Seguel said.

Within Latin America "there are very close links with the trade unions of Argentina, Brazil and Uruguay.

"Their solidarity reaches us most quickly," he explained, "because they are so close."

Asked about the role British trade unions could take to help, the CNT leader said: "We need a lot of support for the actions we are now taking and solidarity at any level -- the work of organisations -- is very important."

Miners Leader Admits Failure

PY070146 Madrid EFE in Spanish 0243 GMT 6 Jul 86

[Text] Santiago, Chile, 5 Jul (EFE) -- Luis Guerra, president of the 'El Teniente' copper mine unions, today resigned because of the failure of the actions that were planned to express solidarity with the general strike held on 2 and 3 July.

Guerra, who is the union leader of one of the largest copper mines in Chile, said "I cannot continue heading something when my opinion is not heard even within my own union."

Guerra, who was elected union leader in his capacity as a leftist militant by the majority of El Teniente Mineworkers, explained that this is the second time that a march, like the one scheduled for 3 July to express solidarity with the first general strike against the regime of General Augusto Pinochet, has failed.

About 500 miners participated in a similar march held on 3 July in Chuquicamata, the largest open-pit copper mine in the world. The police arrested 38 of them.

CHURCH ASKS ARMED FORCES TO FORESAKE VIOLENCE

PY032224 Paris AFP in Spanish 1958 GMT 3 Jul 86

[Text] Santiago, 3 Jul (AFP) -- The Chilean Catholic Church today called upon the Armed Forces, whose mission is to protect the rights of the citizens, to refrain from actions capable of spurring the upsurge of violence in the country.

The Santiago archbishopric issued a statement on the events that took place on 2 July unfortunately leading to the death and injury of our brothers, damage to property and other actions designed to deal with disruptions of order that, to say the least, seem to be excessive and to cause more damage than what the forces of order seek to prevent.

The church statement also contains a message to all men of good will in general, and Catholics in particular, to behave in keeping with their love for peace and freedom and not to allow themselves to be swayed by provocations that distort the peaceful nature of any struggle for human rights.

The church statement also extended condolences to the relatives of the most recent victims of violence, and recalled the words of Pope John Paul II in Bogota yesterday. On that occasion the pope called for directing energy toward constructive and conciliatory actions capable of truly furthering the progress of the country.

Finally, the Santiago archbishopric's statement indicated that the ban which the military authorities levied against Radio Chilena prevents the latter from supplying the people with truthful and objective information.

POPE JOHN PAUL II ENDS VISIT WITH AIRPORT SPEECH

PA071849 [Editorial Report] Bogota Television Service in Spanish at 1628 GMT on 7 July broadcasts a live relay from Barranquilla Airport of the farewell ceremony for Pope John Paul II following his 7-day visit to Colombia.

After military honors are rendered to the pope by naval academy cadets, Colombian President Belisario Betancur delivers a 4-minute speech at 1638 GMT in which he states that after the pope's visit it is clear that "peace and social justice are inseparable" and that "we have a duty to protect the poor, the prisoners, the peasants, the workers, and the Indians. "No one can be deprived of their legitimate right to be heard," he says. Betancur adds that hope has been reborn with the pope's visit and that the Colombians now better understand their strengths and weaknesses.

The pope speaks at 1643 GMT, stating that he has fulfilled his desire to meet with "the sons and daughters of noble Colombia." He adds that he is leaving Colombia but he will accompany the Colombians in their difficult times. He ends his speech at 1649 GMT, thanking the Colombian president and officials for the courtesies accorded him and stressing the Colombian people's Christian faith. The pope then shakes hands with church leaders and unidentified military and civilian officials.

At 1703 GMT, the Pope boards the Avianca airplane that, according to the announcer, will take him to St Lucia, from where he will travel to Rome. The airplane takes off at 1725 GMT and the live relay ends.

EL TIEMPO: M-19 ATTENDED LIBYA MEETING IN MARCH

PA032337 Bogota EL TIEMPO in Spanish 29 Jun 86 pp 1, 3-A

[Excerpts] An M-19 delegation attended the so-called "Second International Anti-Imperialist Conference" held in Tripoli from 15 to 18 March of this year. The conference was attended by delegates of the entire world, including representatives of revolutionary and radical groups of all the South American, Central American, and Caribbean countries.

All the expenses were paid by the Libyan Government, which sent invitations, funds, tickets, and instructions through the Libyan People's Bureaus in some capitals of the region. The delegates of the Caribbean countries gathered in Curacao and traveled to Libya via Western Europe. Other delegates gathered in Brasilia, Panama, Caracas, Havana, and Managua and from there traveled by various routes to Libya.

Abdul 'Ashur, a member of the Anti-Imperialist Center and official in charge of Libya's revolutionary operations with Latin America, received the Latin American delegations and served as their guide.

The "Center for International Revolutions" was in charge of organizing the conference, which was chaired by Musa Kusah, director of the "Anti-Imperialist Center," who is very close to Colonel al-Qadhdhafi.

Al-Qadhdhafi delivered a lengthy speech in the inaugural session, launching violent attacks on the United States, France, and all imperialists in general. He then met with each of the delegations to discuss their specific situations and coordinate action plans.

A Libyan official indicated that the main objective of the conference was to establish an international force directed by Libya to reaffirm its preeminence as an anti-imperialist force. According to what was proposed, the armed forces would be trained, financed, and equipped by Libya and its headquarters would be in Tripoli. Each delegation will hopefully send 15 combatants to form it. Each contingent would then return to its country to continue the anti-imperialist struggle.

Libya's proposal to organize an international armed force led to controversy among the Latin American delegations, which did not reach unanimous agreement. The delegations which included representatives of parties that are legally recognized in their countries, were especially opposed to such a force, while the groups that are outlawed in their country and that are carrying out an armed struggle approved of such a force with great enthusiasm. The M-19 and Chile's MIR [Movement of the Revolutionary Left] enthusiastically defended the creation of the force.

This might explain what the M-19 stated in its "National Message: A Revolution Open to the World," which was published after a meeting of its national directorate with the Quintin Lame and the Alfaro Lives groups in the Cauca mountains between 10 and 28 April 1986 and which states in one of its sections:

"Today we have a broad team of men who are some of the best of the organization. This is of great benefit because it is an effort that is central to us. In this revolution that we are proposing, the America Battalion and what it means to us forces us to get closer to all the men and forces that have to play a leading role in our America."

It is therefore possible that the organization of the international armed force is already underway in Tripoli and that one of its participants is the M-19, thus permitting it to begin playing a leading role in our America.

Al-Qadhdhafi showed special deference towards the M-19. He interrupted his inaugural speech to pay tribute with a minute of silence to the memory of M-19 leader Alvaro Fayad, who had died days earlier in a clash with Colombian security forces.

It is evident that Libya wants to take over the leadership role in subversive activities in Latin America and to displace Cuba as the main sponsor of the revolutionary movements. The Libyan strategy of armed violence is more extreme than that of Cuba, whose delegation opposed the organization of the international armed force.

Due to the disagreements between the Libyans and Cubans, discussions on Libyan support for the revolutions in Central and South America were held in small and secret meetings. Libya has used its Libyan People's Bureaus and other Libyan facilities in the area, especially those in Nicaragua, to establish and maintain contact with the insurgent groups of Central and South America. It is believed the Libyan People's Bureau in Panama plays a key role for Libyan contact with and support for the radical and revolutionary groups of the region.

The first step in its plans in the Caribbean is a meeting of the so-called Coordinating Committee of the National Movement of the Caribbean, which should be held in the last days of April or early days of May [months as published] and will be directed by the Libyans.

The next step will be a more important conference with representatives of revolutionary groups of all the Caribbean under the direction of the National Movement of the Caribbean, which should be held in June or July, possible in Barbados. The Libyans are paying the expenses of this conference.

The facade to conceal the Libyan presence will be to state that the conference is for helping to develop a unified Caribbean nation. The Libyans will apparently propose the creation of the integrated armed forces of the Caribbean.

Everything indicates that an M-19 group is once again in Libya as part of the program on the international armed force. According to this plan, the group will return to Colombia to intensify terrorism.

ITALY REQUESTS EXTRADITION OF TERRORISTS

PY072147 Asuncion EL DIARIO in Spanish 5 Jul 86 p 21

[Excerpt] Judge Edgar Ruben Stanley has ordered the arrest of the following Italian fugitive terrorists: Roberto Moretto, Pier Giorgio Armanni, Efesio Lussu, Eugenio Zoppis, Giovanni Ventura, Luca Romeo, and Domenico Cristofaro. Their records have already been sent to the Interior Ministry so that the order may be conveyed to all police stations in the country.

The note, which was sent to the Paraguayan court by the Italian Justice Ministry through the Italian Embassy, points out that all of the above Italian citizens, whose extradition is requested, belong to "armed gangs and subversive groups."

A report by the local Italian Embassy states that Eugenio Zoppis "arrived in Ausuncion on 8 November 1985 on Iberia Airlines."

A court in Rome ordered his arrest on 20 October 1981 on charges of "subversive association and participation in armed gang activities." Another arrest warrant was issued in Rome on 16 April 1982,"for holdup, kidnapping, and assault."

The note added that all the fugitives belong to Italian subversive armed gangs. Luca Romeo, born in Rome on 19 February 1963, is charged with "belonging to the 'Terza Posizione' gang, and with extortion." There are many arrest orders against Domenico Cristofaro, who was born in Campobasso, and belongs to the "Prima Linea" armed gang.

The note sent by the Italian Embassy also reported an important detail. One of the fuugitives is allegedly living in our country: It reports that Eugenio Zoppis, born in Florence, arrived in Asuncion on 8 November, last year, on an Italian passport. Several dossiers were prepared and will be analyzed by court clerk Marcial Belotto.

According to the voluminous dossiers which were sent to the Paraguayan court after having been given to the Foreign Ministry, the fugitives are dangerous guerrillas. Two of the gangs, "Prima Linea" and "Terza Posizione," are very active in Italy.

COLORADO PARTY NOT TO PARTICIPATE IN DIALOGUE

PY072120 Asuncion LA TARDE in Spanish 3 Jul 86 p 10

[Excerpt] The Government Board of the ruling Colorado Party yesterday confirmed two notes that had been sent to the Paraguayan Episcopal Conference regarding the call to a National Dialogue. At the same time, it gave a vote of confidence to party president Juan Ramon Chaves on the conversation he held with Msgr Livieres Banks.

The top party leaders reported on that talk at the routine meeting of the Government Board held yesterday.

The party Government Board considered the church-sponsored National Dialogue a closed question, and upheld the party position stated in the two notes it sent to the Paraguayan Episcopal Conference: The Colorado Party, as the government party, will continue to hold dialogue with the opposition parties in Congress, the Electoral Boards, or the periodically held elections.

Requests from the eclesiastical hierarchy for the Colorado Party to participate in the National Dialogue will therefore no longer be considered. The party Government Board has already made its position known to the Paraguayan Episcopal Conference: It is not opposed to the initiative being implemented by the church, but its views are different. And this difference is such that it makes impossible a dialogue between the church and the party Government Board at this time.

PLRA CONVENTION ELECTS NEW PARTY PRESIDENT

PY071831 Asuncion HOY in Spanish 7 Jul 86 p 5

[Excerpt] Juan Carlos Zaldivar, candidate for the Change for Liberation Movement, was elected party president at the PLRA [Authentic Radical Liberal Party] convention held yesterday. In the winning slate, Domingo Laino and Juan Manuel Benitez Florentin were listed as first and second vice presidents respectively.

The result, which was known late last night, gave 229 votes for the winning slate and 183 for the losing slate headed by Miguel Abdon Saguier, who was the candidate for the Popular Mobilization for Change Movement. Miguel Angel Martinez Yaryes and Domingo Laino were candidates for the vice presidencies in the losing slate. Before the convention, Laino had turned down his nomination on the slate headed by Miguel Abdon Sagueir and expressed his support for Juan Carlos Zaldivar, who was selected the new party president. Since the winning slate is known to follow Laino's line, the exiled political leader is considered by observers as the true winner in yesterday's convention.

POLICE CHIEV DENIES LAINO ABUSE CHARGES

PY072316 Asuncion HOY in Spanish 5 Jul 86 p 7

[Paid advertisement entitled "To the Public" by Paraguayan Investigative Police Chief Pastor Coronel]

[Text] Uncovering a fraud -- a well-known script

In the name of our national calmness and peace, and after attentively following the reports made about Domingo Laino Figueredo's arrival in the country despite a government prohibition to do so, I, the Asuncion Investigative Police Chief, believe it is my duty to objectively inform the public of the true facts.

Background

Paraguayan security services were aware of a plan outlined by antipatriotic interests to take advantage of Domingo Laino's presence and discredit the national authorities by attempting to portray them as arbitrary. Obviously, in view of this purpose, no one would commit the error of undertaking actions that could be used for propaganda purposes and thus fulfill their objectives. It must be pointed out that according to EL PUEBLO newspaper's 2 July 1986 issue, pages II and III, .. "first, journalists and cameramen descended from the plane..." and "...there were no truncheons or electric prods." Therefore the charges that Laino or his escorts were attacked are simply nonsense.

Objectives

The objectives of this operation were always clear: Laino knows that due to his shortcomings he has been rapidly losing members from the psuedo party of which he is a member, and these members accuse him of calculating all his actions to fulfill his personal interests, which are inspired by his egocentric character, and because of his well-known Marxist inclination, which has been harshly criticized by Liberal Party members themselves (despite the fact that Laino never denied this inclination); Laino expected to improve his worn out image through this comedy, and to gain votes in the internal electoral struggle. This is why the operation was as carefully studied as if it were a script, to present the incident as an act of barbarism, of something of that sort.

In turn, the foreigners just had to play the role assigned to them by the script to damage the image of Paraguay. It is no secret to anyone that we are the targets of attacks by anti-Paraguayan interests. By the way, these foreigners are not bothered by the fact that their behavior was a clear interference in our domestic matters. For example, former U.S. Ambassador Robert White needed an incident to give him publicity because he is being ignored in his own country. Similar considerations can be made about other members of the party, who also support opportunities to gain notice for their political activities.

The facts

EL PUEBLO published on 2 July 1986 on pages II and III that "the escorts of the exiled leader surrounded him closely and started leaving the plane after having fully identified themselves." and that is exactly what happened. Ready to leave the plane, the foreigners together with Laino stood shoulder to shoulder and intended to pass by force. Apparently nothing would stop them. After the reporters had conveniently positioned themselves, they deliberatedly insulted, abused and provoked the forces of order, and they even injured the airport security chief, according to a medical report.

In the face of the deliberate commotion caused by Laino and his party, I, the Investigative Police Department chief, who was in the airport to accompany my subordinates and to ensure that the law was obeyed as always, was forced to enter the airplane tunnel. When the foreigners said that "if Laino does not descend we will not do so either," they were clearly but firmly told that "their attitude represented an intervention in our domestic matters" and that the presence of the forces of order "was meant to ensure compliance with an order from above that in no way included giving explanations to foreigners." They were told that they could get off the plane if they wished to do so, just as Admiral Lee had done, but he returned to the scene to continue playing his role in the script.

Under this circumstance, the airline company representatives requested a definition of the case because its flight schedules would have to be altered at its home airport. The presence of a U.S. Embassy member was then requested.

The U.S. consul arrived and explained to White and the other members of the party that the comedy had to end. Laino returned to his seat and the foreigners descended, as confirmed by EL PUEBLO newspaper on 2 July 1986 on pages II and III, stating that Laino had told his escorts: "...that enough has been done already." But, the comedy continued. An ambulance awaited Laino in Montevideo to take him to a hospital. Doctors there did not follow the script and soon after X-rays of Laino were taken, it was reported that he did not have a fractured rib or traces of blows. Laino's party also did not show any evidence of having been attacked as they had loudly declared. Moreover, Laino was totally drunk (a fact that he never denied).

Misinterpretations

We emphatically, definitely, and categorically deny having attacked anyone. We likewise deny the mean accusation of having threatened Laino with death. This is not our political struggle system and we do not need to use any violence or make threats to make our fair civic convictions prevail. I likewise reject White's false accusations of having committed abuses or having been present at them.

Conclusions

The comedy set up by professional agitators, with the obvious intention of disrupting peace and tranquillity in our country, has been uncovered.

It is unfortunate that foreigners who hold official posts lend themselves to this, as if they had nothing to do in their own country, with the shameless intention of interfering in our domestic affairs. the Uruguayan congressmen were at a loss and surprised. One of them even told EL PUEBLO" ... we were free to move, talk, make contacts within Asuncion..." he added: "...what strongly drew our attention is the way in which the media works..." (Lopez Ballestra). The other Uruguayan congressman (R. Asiain), also speaking with EL PUEBLO said: "...the security of any citizen who may come will be safeguarded..." All this is in writing and documented by EL PUEBLO, on 2 July.

Therefore, the irresponsible charges against us are not based on facts. Honest people may judge the events calmly and reach their own conclusions. Nobody has the right to distort the truth.

After all, the honest and responsible behavior of the superior Colorado government stands out. The government, through these events, has shown public opinion that the measures adopted against these agitators, moved and financed by foreign interests, is nothing more than another attempt to disrupt the proud defense of peace, tranquillity, and national sovereignty

Signed: Pastor M. Coronel, chief of Investigative Police Department. Asuncion, 4 July 1986

EL PUEBLO Views Incident

PY072315 Asuncion EL PUEBLO in Spanish 2 Jul 86 pp 2, 3

[Text] When the PLUNA [Uruguayan National Airlines] plane entered Paraguayan airspace, Dr Domingo Laino delivered an impromptu speech that the passengers welcomed with applause. This was to be the fifth time he would try to return to his country. Laino was accompanied by former U.S. Ambassador to Paraguay Robert White, Uruguayan Deputies Roberto Asiain of the Colorado Party and Oscar Lopez Balestra of the Blanco Party, international human rights association official Frank Larrow, U.S. Democratic Party member Alvin Rosembaum, former U.S. Admiral John Lee and International Political Development Center director Melinda Roehrick.

As the plane landed at the General Alfredo Stroessner International Airport at 1545, a large number of plainclothes policemen--there were no uniformed policemen among them--took positions at the ramp. The first to leave the plane were the foreign journalists and cameramen, who were followed by Laino and his entourage. All the other passengers remained inside the plane and could see what happened. The script designed by the Stroessnerists and by the police forces led by Pastor Coronel was totally changed.

In fact, the police believed that the passengers would be the first to leave the plane, as had happened on previous occasions, and that they would be able to deal with Laino and his entourage without eyewitnesses. The incident that followed took place in front of the passengers. We do not even dare imagine what would have happened had the passengers not been there.

Those who were accompanying the Paraguayan exile closed ranks around him and, after identifying themselves, decided to cross the police barrier to let Laino enter his country. In view of the confusion, of the fact that their plans had failed, and of the determination of those who came with Laino, the repressive forces reacted with their own logic, the logic of beating and verbal attacks. There were neither clubs nor electric truncheons, which are reserved for common people, for workers and for Hospital de Clinicas employees. But there was accurate punching, blows with the knee, and kicks, (Laino fell to the ground and when Lopez Balestra tried to help him he was seized by the neck). Laino's arms and wrists were also twisted, thus revealing that several policemen are experts in self-defense arts, which they do not use for self-defensive purposes.

"Tupamaros, subversives, Communists!" are some of the shouts that White and the rest of Laino's entourage heard, while a photographer of the Paraguayan Investigations department was taking pictures in search of evidence of any possible reaction from the visitors that might justify what the Stroessnerist forces finally did, in order to charge that the victims provoked the aggression.

As the incident would not end and as the security of the passengers was being jeopardized, Laino asked those accompanying him to think of the passengers and to let them leave the plane, because they had already tried hard enough, and no one else should be exposed to further aggression. He then returned to the plane and his attackers calmed down a bit. Laino had asked for permission to see his wife and children, but his request was not granted.

But the incident at the airport was not enough. During their stay in Paraguay, White and the Uruguayan deputies were under permanent police surveillance by plainclothes personnel. In the evening of 24 June, uniformed police personnel cordoned off Laino's house and did not let the people invited to a reception enter the house until Deputy Asiain arrived. The Uruguayan deputy managed to have the police respect the rights that must be respected everywhere (the police cannot prevent the people from entering a private house). All the people invited to the reception entered the house thanks to the intervention of the Uruguayan deputy, who again heard insults and provocations from a civilian. However, the deputy managed to succeed on the strength of his words, his determination, and reason, which are quite different from the methods used by the plainclothes personnel who were at the place.

At Laino's house, impassioned impromptu speeches revealed shame and anger over the repression, pain because of the absence of the owner of the house, and hope that Laino, a man who rejects the tyrant's decision to trample on his rights and keep him far from his fatherland, will return.

The case had international repercussions, because it revealed the true nature of Stroessner's 32-year-old dictatorship, which has been marked by injustice, corruption, and aggression. The Uruguay Government lodged a protest over the incidents on 24 June.

The incident made a front-page headline in THE WASHINGTON POST; it was covered on the third page of THE NEW YORK TIMES. Several countries could see the pictures and films of this barbarous act on the evening of the same day on which the incident happened. Even the Argentine television channel in Formosa province provided wide coverage of the incident.

The Uruguayan Government expressed "its formal protest over the treatment given to Uruguayan lawmakers, which was totally incompatible with the civilized treatment that must be given to people who peacefully arrive in that country. This fact is even more serious because of the rank of the persons involved, who carried diplomatic passports. The Uruguayan Government repudiates this type of incident and points out that they do not contribute to the atmosphere of good relations that the Uruguayan Foreign Ministry has always sought to promote."

This time, the dictatorship's thugs made a big mistake. The future will determine how big a mistake it was.

PRF CRITICIZES EXPULSION OF RADIO DIRECTOR

PY050235 Asuncion EL DIARIO in Spanish 4 Jul 86 p 8

[Text] The executive board of the Febrerista Revolutionary Party [PRF] yesterday issued a communique describing as "a repressive measure against the press the government's decision to prevent Father Javier Arancon, director of Radio Charitas, from returning to the country after confiscating both his identification and residence papers."

The PRF believes this measure "is designed to silence a radio station that has been honest and faithfully accomplishing its reporting mission. It is another attack against the freedom of radio stations, which adds to the shameful case of Radio Nanduti."

BRIEFS

JANUARY-MAY INFLATION FIGURES -- With a monthly rate of inflation that was 5.6 percent in January, 6 percent in February, 0.7 percent in April and 0.7 percent in May, the 5-month inflation rate is 17 percent. The 12-month inflation rate was 40.6 percent in April and dropped slightly to 39.7 pecent in May. [Summary] [Asuncion ULTIMA HORA in Spanish 2 Jul 86 p 12 PY]

EXPORTS DECREASE -- Total exports have fallen from $190.3 million during the first half of 1985 to $101.6 million during this year's first half, a 46.6 percent drop. [Excerpt] [Asuncion ULTIMA HORA in Spanish 2 Jul 86 p 8 PY]

REPUBLICAN GUARD CHIEF RETURNS TO ACTIVE DUTY

PY071613 Madrid EFE in Spanish 2201 GMT 7 Jul 86

[By Marison Marin]

[Text] Lima, 6 Jul (EFE) -- Backing down from its previous stand, the Peruvian Government today announced that Republican Guard director General Maximo Martinez Lira will remain on active duty. This means the violent repression in the Lima prison will have no repercussions on either police or military commanders.

Gen Martinez Lira was removed from his post and retired on 28 June by decree published on 30 June. The decree said that the general had tendered his resignation.

In a statement to two major weeklies that will appear on 7 July, Martinez said that he did not resign or ask to retire and that, consequently, the decree was "groundless."

Martinez Lira said that his position is fully supported by the Armed Forces Joint Command, which is made up of the commanders of the three branches.

The decree repealing the previous resolution states that the government had "removed" the Republican Guard director, but that he "remains on duty at the police general directorate."

Martinez Lira will remain in his post as the goverment has not yet designated his replacement.

Gen Martinez Lira was the head of the police forces that were charged with executing over 100 inmates at the Lurigancho prison on 19 June.

Peruvian President Alan Garcia had said that the authors of "that horrendous crime" would be imprisoned at the Cantogrande top security prison "with the murderers and killers of their kind."

Even though official sources have said that some 90 officers and soldiers are involved, no one has so far been sent to Cantogrande and, according to reliable sources, it seems that only about 20 of them will be formally charged.

The decision against the Republican Guard is known to have caused considerable displeasure in this institution, which has received general expressions of solidarity and support from the Civil Guard and the Investigative Police.

Many people recall what happened on 5 February 1975 when the Civil Guard rebelled and left Lima without surveillance. Several people died and all sorts of crimes were committed on that day.

The Republican Guard's duty is to provide surveillance and security at prisons, borders, and public buildings.

The operation performed in Lurigancho on 18 and 19 June was led by the Army, although the responsibility for the action ultimately rests with the Joint Command, which the government had ordered "to restore order and authority."

An unusual deployment of police and military forces has been observed in downtown Lima today. Two small Army amphibious tanks were deployed at the Government House yard and two others in front of the U.S. Embassy.

Last night there were seven small tanks guarding Government House. Some of them were in the yard while others were guarding the access to the area.

Now that the government has changed its mind on the removal of the Republican Guard director, all the military and police commanders involved in the repression of the mutinies, in which some 300 people died, remain on active duty.

Almost 20 days after the massacre, former Justice Minister Luis Gonzalez Posada appears to be the only "political" victim. His removal and resignation were taken for granted in view of his ostensible absence at the more difficult moments of this still unresolved crisis.

According to official sources, on 28 July, Peru's national day, the president will announce a cabinet reshuffle, a measure that is routine on that day. Nothing is known for sure and there is only speculation over the future of the Armed Forces Joint Command members, with whom President Garcia met twice last week. Not a single detail has leaked on the subjects discussed during those two meetings.

While some rumors say that Army Commander in Chief General Guillermo Monzon, the Joint Command's president, will be removed, others say that the navy, war, and aeronautics ministers will be replaced. However, the ministers hold political posts and, consequently, their responsibility is the same as that of the rest of the cabinet.

Many observers have recalled that in September 1985 the president dismissed Air Force General Cesar Enrico Praeli immediately after the bodies of more than 60 dead peasants were found in a common grave in Accomarca, Ayacucho. Praeli was the president of the Joint Command, which has led the antiterrorist fight in the emergency zones. That decision by the president was praised both at home and abroad.

BUS REPORTEDLY HIJACKED IN SAN ISIDRO

PY050330 Madrid EFE in Spanish 0244 GMT 5 Jul 86

[Excerpt] Lima, 4 Jul (EFE) -- A bus of the Peruvian state-owned bus company was hijacked today by a group of alleged armed terrorists as it was traveling along one of the main avenues of the San Isidro district in Lima.

It was learned from police sources that a Civil Guard officer managed to jump from the vehicle when it was taken by unidentified individuals. The officer reported the incident to his superiors, and noted that several policemen were among the passengers.

The bus, which was going from Lima to Villa El Salvador, was hijacked as it was traveling on Javier Prado Avenue.

There are no further details on the whereabouts of the bus. A police search is already underway.

Interior Minister Denies Report

PY071728 Lima Television Peruana in Spanish 0100 GMT 6 Jul 86

[Text] The Interior Ministry today denied press reports on the supposed capture of a bus and kidnapping of its passengers. These reports are based on rumors proven false, the Interior Ministry communique says, adding that the government deplores the reporting of rumors without their being previously verified, because doing so only contributes to creating anxiety among the public.

The communique was released by the Communications Office of the Interior Ministry.

MRTA CAR BOMB BELIEVED DIRECTED AT U.S. TARGET

PY071616 Paris AFP in Spanish 1436 GMT 7 Jul 86

[Text] Lima, 7 Jul (AFP) -- Two terrorists were blown to pieces in Lima when they were setting up a car bomb in a hideout of the clandestine Tupac Amaru Revolutionary Movement (MRTA), according to Civil Guard reports here today.

Officials said they belived the car bomb was intended for a U.S. installation to mark U.S. Independence Day and the 100th anniversary of the Statue of Liberty.

The car bomb exploded last night in a garage of a house located in the densely populated San Martin de Porres district, damaging four houses. The police said the explosion apparently occurred when the subversives were trying to install a timing mechanism in the car, which contained 50 kg of dynamite.

The two terrorists setting up the bomb were blown to pieces and, according to Peruvian officials, they have not yet been identified. MRTA leaflets and pennants and weapons were found in the house.

A police spokesman said it would have been difficult for the terrorists to use the car against the U.S. Embassy or against any U.S. company because they are all well-protected.

Army tanks and special police forces have guarded the U.S. Embassy and other U.S. facilities in Peru since last week to prevent possible attacks.

In May, the MRTA detonated a car bomb at the residence of Ambassador David Jordan, and last month it detonated another one near a building of the multinational Occidental Petroleum company. These attacks caused heavy damage but no injuries.

REPORTAGE ON 6 JULY ELECTIONS; PRI CLAIMS VICTORY

Chihuahua Results

FL071242 Mexico City NOTIMEX in Spanish 0326 GMT 7 Jul 86

[Text] Chihuahua, Mexico, 6 Jul (NOTIMEX) -- The PRI has won the elections held in the state of Chihuahua today, obtaining a majority of votes in the 67 municipalities in the stae, PRI delegate Manuel Gurria Ordonez has announced.

Likewise, he gave information on his party's victories in the municipalities of Juarez, Chihuahua, Delicias, Nuevo Casas Grandes, Casas Grandes, among many others.

He noted that the information on the victory of the candidate to the governorship, Fernando Baeza Melendez, was supplied by some 36,000 political bosses, party representatives at polling stations, and results of vote counting.

He added that the electoral authorities will be the ones to officially announce the results of the voting, and stressed that the elections were held in a climate of tranquility and social peace.

Durango Results

FL071305 Mexico City NOTIMEX in Spanish 0405 GMT 7 Jul 86

[Text] Durango, Mexico, 6 Jul (NOTIMEX) -- The PRI candidates have won an overwhelming victory with 80 percent of the electoral rolls in elections held today in the northern state of Durango.

PRI delegate Fernando Mendoza Contreras made the announcement, indicating that according to party infomation, sectional leaders, and presidents of municipal committees, the candidates of the ruling party obtained 500,000 votes of an official electoral roll of 700,344 voters.

He said the elections had been held in a climate of tranquility and social peace due to the maturity and community spirit of the citizens.

Likewise, he asserted that abstentionism had been defeated by a high percentage, inasmuch as the majority of the population had gone to the polling stations to vote. This was due, he said, to the popularity of the PRI candidate for governor, Jose Ramirez Gamero, who had identified himself with the people as demonstrated by the poll conducted prior to the elections.

The PRI delegate stressed that his party had obtained a decisive victory with the candidates to the governorship, 38 municipalities, and 12 deputations.

Mendoza Contreras denied there had been any major incidents during the voting, as had been repoted by the opposing National Action Party (PAN), which said there had been violence.

Zacatecas Results

FL071324 Mexico City NOTIMEX in Spanish 0411 GMT 7 Jul 86

[Text] Zacatecas, Mexico, 6 Jul (NOTIMEX) -- The ruling PRI has won the elections for governor, municipal committee presidents of the central state of Zacatecas, and deputies, the party's National Executive Committee (CEN) has announced. The state's CEN delegate, Carlos Rivera Aceves, reported that according to polling station statistics, more than 75 percent of the population had cast ballots in a climate of tranquility and civic rejoicement.

He noted that in polling station No 19, located in the municipality of Sombrerete, of the total votes cast, 271 were for the PRI and 37 for the opposing National Action Party.

The president of the Zacatecas electoral commission, Juan Antonio Castaneda Ruiz, said the official results will be announced next Sunday, but that the PRI had obtained a majority of the votes.

Michoacan, Campeche Results

PA071544 Mexico City XEW Television Network in Spanish 1340 GMT 7 Jul 86

[Excerpts] Luis Martinez Villicana, PRI candidate for Michoacan governor, was the winner in yesterday's elections, according to unofficial results. The official results will be issued by the local electoral commission on Sunday. According to the documents signed by the representatives of the parties, the winner was Luis Martinez Villicana. The elections in Michoacan were held in complete calm. Here is Manuel Renteria with more information:

[Begin Renteria recording] According to the initial results, the unquestionable victory of PRI gubernatorial candidate Luis Martinez Villicana was announced. Deputy (Graciano Bordoni Urteagua), PRI delegate in Michoacan, said that the PRI candidates for local deputies were also victorious. He said that the results are derived from 54 percent of the voting booths and that they are unofficial, preliminary results. The votes from 1,229 out of the 2,297 voting booths distributed throughout the state have been counted. To date, the PRI has obtained 381,739 votes; the PAN 28,032; the PDM [Mexican Democratic Party] 11,498; the PARM [Authentic Party of the Mexican Revolution] 9,036; the PST [Socialist Workers Party] 8,721; the PPS [People's Socialist Party] 4,729, and the PSUM [Unified Socialist Party of Mexico] 4,007 votes. He said that these figures are contained in the voting documents signed by the representatives of those political parties. He indicated that the elections took place in complete calm and that there were no unfortunate incidents. He said that abstentionism is gradually being overcome. The deputy reiterated that these figures are preliminary and that the results of 85 percent of the votes should be known today. [end recording]

In yesterday's elections in Campeche, the PRI proclaimed the absolute victory of its candidates. There were no irregularities at the 362 polling stations. Twenty-one deputies of the state legislature were elected in Campeche. Six parties participated in the elections. The official results have yet to be issued. The new deputies will not be announced until tomorrow.

Yesterday, PAN president Pablo Emilio Madero said that the Mexican people went to the polls in perfect order. Here is a report by Rolando Medina:

[Begin Medina recording] PAN president Pablo Emilio Madero said last night that the Mexican people went to the polls in complete calm to cast their votes in Chihuahua, Durango, Zacatecas, Michoacan, Campeche, and Baja California Norte. He said that concrete results are not yet available and that he will wait for the final results of the elections. He said he is sure that there was no violence at the polling stations. He added that at 2130 he was informed that in Ciudad Juarez, the people were standing in long lines to vote. Madero said that in Mexicali, with the results of 12 voting booths counted at the time he was interviewed, his party had obtained 50 percent of the ballots.

Like most people, the PAN president said that he was convinced that the two strongest states in these elections are Chihuahua and Durango, where there was greater voter turnout, as opposed to Michoacan, Campeche, Baja California, and Zacatecas where the turnout was not as large. He said that he will not speak to the press until today, Monday, or Tuesday to give his opinion, having figures in hand. Meanwhile, he said he will not adopt any position because he hopes that the count will be honest. [end recording]

FOREIGN SECRETARY LEAVES FOR EUROPEAN VISIT

FL071831 Mexico City NOTIMEX in Spanish 0056 GMT 6 Jul 86

[Text] Mexico City, 5 Jul (NOTIMEX) -- Mexican Foreign Secretary Bernardo Sepulveda Amor today traveled to Europe to strengthen relations between Mexico and the old continent.

During his stay in Europe, the Mexican foreign secretary will visit Spain, Portugal, the Netherlands, and France from 7 to 18 July. These nations are members of the European Common Market, which is Mexico's second largest trading partner.

Sepulveda's visit to Madrid, Lisbon, and The Hague will facilitate an exchange of views on future cooperation between Mexico and the EEC and will examine the possibilities of widening bilateral relations with those countries through the development of an economic, technical, and cultural cooperation program.

Sepulveda Amor will also explain the Mexican Government's stand on several matters which are currently calling the international community's attention, such as regional conflicts which threaten world peace.

Regarding economic matters, the Mexican foreign minister will talk about the serious crisis affecting the international system, especially the economic sector of developing countries.

He will refer to relevant matters such as the foreign debt, trade protectionism, the need to increase financing resources for development and stability, and the rearrangement of world economic relations in the field of oil and trade and of other raw materials.

During his visit to Spain, Sepulveda Amor will hold talks with President Felipe Gonzalez. They will examine bilateral relations between Mexico and Spain, and will hold talks with President Felipe Gonzalez. They will examine bilateral relations between Mexico and Spain, and will exchange views on international and regional matters which are of interest for the two governments.

In Lisbon, the foreign secretary will be received by Portuguese President Mario Soares and will convey him a personal message from President Miguel de la Madrid Hurtado.

During his visit to The Hague, the official will deliver a letter from the Mexican head of state to the Netherlands Prime Minister Ruud Lubbers.

After these visits, the diplomat will preside over a working meeting between Mexican representatives to international organizations to be held in Paris on 17 and 18 July. This meeting will jointly assess the diplomatic activities of the Mexican Government in the multilateral sphere and its possibilities.

FINANCE SECRETARY REPORTS ON VISIT TO U.S.

PA061330 Mexico City XHDF Television Network in Spanish 0130 GMT 6 Jul 86

[Text] During an interview for IMEVISION, Mexican Finance and Public Credit Secretary Petriccioli said that Mexico's tax system will try to collect more through increased efficiency, rather than through higher tax rates.

The official was interviewed within the framework of the 18th annual meeting of fiscal officials, being held in Acapulco. Petriccioli discussed several national matters. He said that in negotiations with the international community, support for several months is being sought. He also said that a bridge credit for Mexico has not yet been approved.

[Begin Petriccioli recording] In my recent trip to the United States and according to President De la Madrid's instructions, no bridge credit was discussed or proposed. We presented an economic program for our country for the next 24 months. We went there to agree on actions and, if possible, reach accords for a flow of funds for about 18 months. [end recording]

As for the recent reduction in interest rates applied by the World Bank, the treasury secretary said that this agency is showing its interests in promoting development in this way.

[Begin recording] [Petriccioli] This World Bank stance recognizes the interests of debtor countries, particularly those of Latin America and the Cartagena consensus, to be able to achieve, in addition to lower costs, credits under more favorable terms that will permit all of our countries to economically reactivate themselves.

[Reporter] We have a question. During the past few days, rumors have been heard that the bank undersecretariat will be eliminated and that even Undersecretary Sales Gutierrez will no longer have a job.

[Petriccioli] Just as the rest of the federal government, the treasury secretariat is making a serious effort at rationalization. We must work for greater efficiency, but with lower costs. We are currently conducting a study to restructure the secretariat to be able to meet the proposed objectives of recovery, savings, and austerity. We have not yet concluded this study. Sales Gutierrez is still the bank undersecretary and continues to have all the authority and responsibilities inherent in his post.

[Reporter] Regarding the handling the country's banking affairs, will efforts be made to make banks profitable and ensure that their services be given at a reasonable cost in such a manner that banks will not have to work on the basis of subsidies or absorb bank deposits to defray their own costs?

[Petriccioli] Mexican banks cannot and should not be the object of any subsidies or transfers. The government's relatively scarce resources must be devoted to the basic priorities of investment, social service, health, and housing. Banks should not and cannot be subsidized. Banks must be self-sufficient. This requires -- it is possible to move forward and we must move forward -- greater efficiency, production, and productivity. At the same time, the banks have the responsibility to serve depositors better, as well as the banks' other customers. One way of strengthening the bank's finances without burdening the budget will be to put up for sale in the market -- at the proper time when the banks require this step -- a minority percentage of their capital shares. This is to say, the increases required in the banks' capital will not be made by the federal government, but will be obtained through the productivity and efficiency of the banks, and the opening of a minuscule percentage of the bank shares to the public that has confidence in the industry. [end recording]

The Acapulco meeting will be closed by the president tomorrow.

1986 FINANCIAL COMMITMENTS TO BE FULFILLED

FL032235 Mexico City NOTIMEX in Spanish 0300 GMT 3 Jul 86

[Excerpt] Mexico City, 2 Jul (NOTIMEX) -- Mexico will be able to fulfill its commitments to the international financial community during the 1986 with income derived from tourism, assembly plants, border transactions, oil exports, as well as income from the soccer World Cup. This was announced by the Mexican Secretariat of Finance and Public Credit. It indicated that during this year's second quarter, Mexico will have to pay $3.6 billion on interests payable in monthly installments amounting to around $600 million.

The secretariat explained that Mexico only has a $950 million lag in direct payments to its foreign debt that were due last October. Payments were deferred because of last September's earthquakes. The payment of new accounts will be postponed until next October.

On another matter, it said there is nothing official regarding the elimination of the banking undersecretariat but suggested the possibility of it turning into a directorate because it already fulfilled its objectives such as banking legislation.

EL SALVADOR

VENCEREMOS REPORTS JUNE CASUALTY FIGURES

PA040442 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Jul 86

[Text] Attention, here are the military casualty figures for June. Pay close attention. The FMLN inflicted 667 casualties on the puppet Army in June. We repeat: the FMLN inflicted 667 casualties in June. Of these 667 casualties, 65 casualties were inflicted by mines, and 124 of them by ambushes of enemy troops. Among the 667 casualties, we count 12 officers -- including 2 pilots -- 3 cadet lieutenants, 14 sergeants, 8 subsergeants, and 19 corporals.

The following weapons and installations were partially or completely destroyed: the 3d Infantry Brigade headquarters; 3 helicopters destroyed at the Plaza de Armas; 2 helicopters damaged in combat; 2 military vehicles destroyed; 106 rifles destroyed; and numerous support weapons destroyed inside the 3d Infantry Brigade headquarters.

The following weapons were seized from the enemy during the month of June: 59 U.S.-made rifles, one 90-mm cannon, three M-60 machine guns, one M-79 grenade launcher, three PRC-77 radios for military communication, and communications equipment found at the 3d Infantry Brigade command post. Similarly, dozens of grenades and mines were seized, as well as thousands of cartridges for rifles and support weapons.

During the month of June, the FMLN, thanks mainly to its clandestine militias, sabotaged 77 units, including power pylons, towers, and transformers. Along that same line in June we also completed a 7-day transportation stoppage which, according to the estimates of the enemy itself, resulted in losses of approximately 70 million colones.

The General Staff can only display its poor propaganda which makes the people laugh. The only thing the colonels want to show is their high number of incoherent offensive arguments. We show the ruins of the 3d Infantry brigade Headquarters, the rubble of the helicopters, the trucks, [words indistinct] the troubled face of General Vides Casanova when he is talking about attacks carried out treacherously and complaining because our actions are carried out during the night. That is the image of the cowardice of those who cannot militarily defend that for which they now cry. [words indistinct] They show their troubled faces, we show our invincible paracentral territory, making it into [words indistinct] of enemy operations.

GUATEMALA

CEREZO CALLS FOR DOMESTIC PEACE, EXILES' RETURN

FL041844 Mexico City Notimex in Spanish 0400 GMT 4 Jul 86

[Excerpts] Mexico City, 3 Jul (notimex) -- Guatemalan President Marco Vinicio Cerezo has invited the Guatemalan guerrillas and political exiles to lay down their arms, close down the foreign opposition movements, and join the political life of the nation with the guarantee that their ideological positions will be respected.

Interviewed during the reception given him by Guatemalans living in Mexico, the Guatemalan president said the necessary measures have been taken and the conditions set for the return of any group that wants to participate in legal political activities. He said the nation needs all its sons to overcome its problems.

He said the people have chosen peace, and we must abandon confrontation and find a mechanism for strengthening national aspirations. He said there have not yet been any conversations with guerrilla members, although he has spoken with exile groups about their return. He said: We believe we have made consistent progress on human rights in all political sectors. Cerezo added: Persons who do not live in Guatemala have to go and see what is happening and refrain from speaking outside of the Guatemalan context, and not say for example that they do not want to return because violence persists and there are no guarantees.

Cerezo said we want to transfer the discussion from the mountains to the political forums and the university classrooms. We want to end the confrontation, which is becoming unnecessary. As long as someone acts violently, there will be a violent response. What we want is dialogue and discussion. Anyone, whatever his political position, has the right to argue if he wants to.

CEREZO ON PERSONAL INFLUENCES, DCG DOCTRINE

PA060440 Mexico City XHDF Television Network in Spanish 0300 GMT 5 Jul 86

[Interview with President Vinicio Cerezo by XHDF Television Network newscast director Angel Trinidad Ferreira on 4 July in Mexico City -- recorded]

[Text] [Ferreira] Good evening and thank you for watching our Imevision program. As you know, Vinicio Cerezo Arevalo was wafted into the Guatemalan presidency by the democratic winds prevailing in that brotherly country. His arrival was a breath of fresh air into an atmosphere rarified by a dictatorship. The power of the votes replaced the power of the rifles. Democracy is a reality in Guatemala, which is linked to Mexico. Better put, our two countries are united by hopes for peace, freedom, and justice and by a quest for each people to seal their own destiny in a sovereign manner. The quetzal is Guatemala's symbol and could well represent the purest hopes of the Mexican people, because it is a bird that cannot stand living in captivity. However, I would like to ask you: Guatemala lived for many years under dictatorships. So, how could a man with democratic ideals emerge in a country that (?has endured) 19 years of military dictatorship?

[Cerezo] Well, during these past 19 years there have been various governments and various attempts to steer the country toward a democratic path. However, my aspiration was born when I was very young. In 1954, following the U.S. intervention that (?overthrow) the government of the 1944 revolution headed by Jacobo Arbenz, we, a large group of children who had been inspired by the 1944 revolution -- I was 12 or 13 at the time -- decided to strive individually and collectively to bring back to Guatemala in some way that climate of freedom and democracy in which we felt that our forebears had lived for many years. We went through [words indistinct] San Carlos University (?and) the National University, where our aspirations and desire to work grew deeper. I made my way amid the danger posed by the violence, which was interspersed by brief periods of freedom, and engaged in the political work of an organizational type until I succeeded in reaching this important stage in my life.

[Ferreira] What party do you belong to?

[Cerezo] In Guatemala, it is called Guatemalan Christian Democracy [DCG]. The DCG belongs to an international ideological movement; that is, there are many other parties in many countries but with different manifestations in each one of those countries. The DCG is regarded as one of the most leftist-leaning Christian Democratic parties, we might say, because of its advocacy of changes and some reforms of a structural nature, always in keeping with the peaceful method of political participation.

[Ferreira] Hypothetically, if you had an opportunity to interview a great historical figure, such as a politician, a philosopher, or a writer, what figure would you choose to talk with?

[Cerezo] During my political career I have been much impressed by some figures, such as Simon Bolivar and Lazaro Cardenas in Latin America. These are the leaders who have impressed me the most because of the strength of their convictions and their projection into the future. In Europe I was very much impressed by Winston Churchill and, well, Napoleon Bonaparte with his inadequate combination with [word indistinct] the time in history in which he happened to emerge. During modern times in the United States by Roosevelt, of course, by Theodore Roosevelt, pardon me, Franklin Delano Roosevelt, who established a system of political participation with a new approach in the United States. This is one of the figures who has impressed me most in the, let us say, modern political (?history) of the United States.

[Ferreira] And how about philosophers?

[Cerezo] Among the philosophers, Aristotle is one those who have impressed me the most because of the diversity of his thinking and because of the accuracy in his analysis of causes and effects [words indistinct] a permanent logic in the analysis of things. I have always been very much impressed by this.

[Ferreira] Mr President, since you have held a number of talks with Mexican President Miguel de la Madrid, could you tell me if any agreements have been reached or fundamental points of concurrence been found to seek solutions to bilateral problems? What progress has actually been made in the solution of bilateral problems? We know that there is the question of the refugees, we know that there are some other small problems. Has any progress been made?

[Cerezo] Look, I think we started negotiations on a good footing. We started on the basis of our current situation. Mexico, Guatemala, and the rest of Latin America are suffering from the world economic crisis and from a regional political confrontation that could lead us to become involved in the East-West conflict. We have already considered the two points of reference that helped us make progress toward the solution of bilateral problems, first in a broad and later in a specific perspective. We cannot establish a proper bilateral relationship without realizing our position in the regional and global context.

[Question] Your opinions on Alan Garcia and Fidel Castro?

[Cerezo] Well, I think Fidel is a leader who acquired great prestige in 1962. Many of us admired him at the time because of his revolution. Yet, after being president of a country for 22 years, any idol topples. It is impossible that another Cuban able to lead the revolution cannot be found. [Chuckle] I think he must be replaced. I still regard him as a very important political leader, but I feel he has slipped a little. Political leaders [words indistinct] withdraw in time. Alan Garcia is a new figure in the Latin American leadership. He is bold and has good qualities. I feel he is having to cope with a very difficult situation. I am sure that with leaders like him, we will be able to consolidate democracy in Latin America.

HERNANDEZ VIEWS GUERRILLAS, DEVELOPMENT POLES

PA040325 Guatemala City PRENSA LIBRE 3 Jul 86 p 13

[Text] Rebels in Guatemala continue operating because of the arms they receive from a neighboring country, Guatemalan Defense Minister Jaime Hernandez said.

He said an RPG-2 was seized in a clash between the Army and guerrillas. This weapon gives an idea of the support that the guerrillas receive to harass the security forces.

The officer did not specify the amount of aid the rebels get. He said, however, that this is one of the reasons for the continuation of the rebel operations.

The 56 model villages designed and controlled by the Army will be turned over to the Development Ministry when the new authorities feel the time is right, he said.

He said that the presence of the military in these hamlets must continue through the civilian defense patrols "or, at least soldiers to cooperate in the security efforts necessary for the residents."

The 56 model villages include numerous families, mainly peasants. The villages have from 50 to 300 housing units.

LEADERSHIP DISAVOWED FOR CONDECA REVIVAL

PA050218 Panama City ACAN in Spanish 1905 GMT 4 Jul 86

[By Mario Rolando Sierra]

[Text] Guatemala City, 4 Jul (ACAN-EFE) -- Guatemalan Defense Minister General Jaime Hernandez Mendez told ACAN-EFE today that Guatemala will not assume the leadership for the reaction of the Central American Defense Council [Condeca].

Condeca was created in the sixties upon the initiative of Nicaraguan dictator Anastasio Somoza to coordinate the struggle against the incipient guerrilla movements in the region, but it became inactive after the Sandinist revolution in 1979.

Gen Hernandez said that the idea of reactivating the regional military organization was brought up during an "informal" meeting held by the defense ministers of Guatemala, El Salvador, and Honduras in Esquipulas on 25 May.

The defense minister added that, as president of the inactive Condeca, he first had the idea of holding a dialogue with his counterparts in the Central American nations, including Nicaraguan President Daniel Ortega [as received], "for its reactivation."

Nevertheless, Hernandez said -- without stating the reasons for his change of attitude -- that he will make the trip through Central America during the second half of July to "exchange viewpoints" with the top-level military leaders.

"Guatemala is not particularly interested in reactivating Condeca," said Gen Hernandez, who added that, nevertheless, he is willing to hear the views of all the other defense ministers in the area.

The reactivation of this regional military organization, at the initiative of what has been called the "Central American military triangle" -- comprising El Salvador, Honduras, and Guatemala -- has encountered adverse political reactions.

Salvadoran Vice President Rodolfo Castillo Claramount recently referred to the reactivation of Condeca and said: "Central America does not need it now, because that is not the road to peace."

He said that "the peace of democracy, understanding, respect, and nondestabilization of one government by another" is what should prevail.

Nicaraguan Vice President Sergio Ramirez Mercado said that his country continues to be part of Condeca, but considers that "the U.S. Government wants it reactivated as an instrument of aggression."

Ramirez added: "Guatemala has assumed a crucial role by refusing to reactivate this mechanism as an instrument of isolation and military aggression against Nicaragua."

The defense ministers of the Central American nations, who act as representatives to the military organization, have not met for the last 8 years.

Gen Hernandez will hold a dialogue with his counterparts in the area, on a still unspecified date this month, "concerning the convenience of reactivating the organization."

Hernandez said: "The defense ministers of El Salvador, Honduras, and Nicaragua will decide whether to hold a meeting "after my tour through Central America."

He reasserted that he will establish "these contacts" as president of Condeca, but Guatemala "will not take the initiative for its reactivation."

ARMY DENIES GUERRILLA ROLE AT QUEZALTENANGO

PA080126 Panama City ACAN in Spanish 2358 GMT 7 Jul 86

[Text] Guatemala City, 7 Jul (ACAN-EFE) -- An Army spokesman has said today's explosion at a dynamite warehouse in a garrison in the western city of Quezaltenango, which killed 7 persons and seriously injured 24, was an accident.

Colonel Juan Francisco Cifuentes told ACAN-EFE that the Quezaltenango military base, located 227 km west of the capital, was used to store explosive material from the area's state and private companies.

The official said that two employees of the national electricity institute came in at noon to leave the dynamite at the warehouse. Apparently a case of fuses was dropped and made contact with the explosive material, causing the mishap.

The explosion affected the Quezaltenango garrison's soccer field, the chapel, and a classroom. It killed five soldiers as well as the two electricity company workers, the spokesman reported.

Fragments of the victims were found 50 meters from the site of the accident.

Red Cross workers and volunteer firemen transferred the 24 people who were seriously injured to the Quezaltenango hospital.

An official flatly denied that the explosion was caused by the guerrillas, as civil sources had suspected at first.

"A terrorist action is ruled out," Colonel Cifuentes said.

The Quezaltenango region is where two guerrilla organizations, the Revolutionary Organization of the People in Arms (ORPA), and the People's Guerrilla Army (EGP), are operating.

HONDURAS

BISHOP VEGA REPORTS ON EXPULSION FROM NICARAGUA

PA071717 Tegucigalpa Radio America in Spanish 1546 GMT 7 Jul 86

[Excerpts] Msgr Pablo Antonio Vega, vice president of the Nicaraguan Episopal Conference, made his first public appearance yesterday after Sandinist officials turned him over to Honduras on Friday. He again expressed his solidarity with the Nicaraguan people and commented on several aspects of the persecution against the Catholic Church in Nicaragua. Vega officiated at a mass at the San Miguel Salesian Institute in Tegucigalpa yesterday.

In his homily, he said that he will never again clean the shoes he was wearing. He said that it does not matter that they are muddy because they carry the mud of Chontales, his hometown in Nicaragua.

According to the Sandinist government, Vega was expelled because he violated the country's state of emergency. He was also accused of slandering the Sandinist revolution and carrying out campaigns in favor of the United States.

Vega was last seen in Juigalpa, Chontales department, on Friday morning, before being turned over by Sandinist authorities to Honduran immigration officials at the La Fraternidad border post.

[Begin Vega recording] I come from Chontales where I have to [words indistinct] the images of those who live in Chontales. Yesterday, I had the opportunity to shine my shoes but I did not do so when I realized that they had mud from the land of Chontales, where I experienced the infamous, as the Chontales people know it, [words indistinct] they took me there, and at (?0815) on the morning of 4 July, I was taken to see Agustin Lara, the political chief of Region 5. He was not waiting for me to talk with him but to tell me that I was being detained. They immediately [words indistinct] another street, I did not even know where they were taking me [words indistinct] penitentiary system. I thought they were going to keep me there. However, there were two helicopters on the baseball field. They put me in one and the other one followed us.

ENTRY OF NICARAGUANS, LIBYANS, OTHERS RESTRICTED

PA071649 Panama City ACAN in Spanish 1600 GMT 7 Jul 86

[Text] Tegucigalpa, 7 Jul (ACAN-EFE) -- Official sources reported today that except with a special Foreign Ministry permit, and under extreme vigilance, citizens of Palestine, Libya, Cuba, Nicaragua and other socialist countries will not be allowed to enter Honduras.

The Honduran Directorate for Population and Immigration Policy reported that Hondurans coming from socialist countries or countries of recognized communist affiliation will be able to enter the country "without difficulties."

However, it was made clear that those Honduran communists who have been active at one time or another in guerrilla cells, who have threatened state security, and who are on a special roster will not be allowed to enter the country, and they risk being arrested for their offenses.

It was recently announced that immigration policies had been tightened, and that citizens from any country who want to enter Honduras have to prove that they have means to live for the time they wish to stay.

This ordinance does not apply to recognized investors, or to those who can prove their intention of investing in the country, since the intention is to keep insolvent people from aggravating the already worrisome socioeconomic problems in by Hondurans.

CONTRERAS SENDS LETTER TO CONTADORA GROUP

PA060400 Tegucigalpa Domestic Service in Spanish 0210 GMT 5 Jul 86

[Letter sent by the Foreign Ministry to the Contadora Group foreign ministers, dated 21 June]

[Text] Gentlemen ministers and dear friends:

I am honored to advise you that I have received your kind letter dated 6 June 1986, in which you inform me that on that day, the foreign ministers of Colombia, Mexico, Panama, and Venezuela met in Panama City to conclude the negotiations of the Contadora Document for Peace and Cooperation in Central America, sharing your conclusions with the foreign ministers of Argentina, Brazil, Peru, and Uruguay.

On the occasion of the meeting of the Contadora and Support Groups and Central American foreign ministers held in Panama City on 6 June 1986, the Contadora Group formally presented to the Central American foreign ministers what the group feels must be the last version of the Contadora Document for Peace and Cooperation in Central America. As I announced at that solemn session, I am pleased to present to you today the Honduran Government's response, based on a calm and friendly study of the documents delivered to me, including the speech of the Panamanian foreign minister, a letter from the Contadora foreign ministers to the Central American foreign ministers, the draft of the Contadora Document, and the Panama document.

I hereby reiterate to every one of you the Honduran Government's praise for your special joint effort, marked by the loftiest political willingness and investment of human and material resources, to reach -- through political negotiations -- a legal framework to guarantee democratic peace in and among the Central American states

Despite the effort made to achieve the desired goal, I hereby tell you -- as the Honduran Foreign Ministry announced through its 13 June communique -- that the latest draft proposed by Contadora does not constitute, in the Honduran Government's opinion, a document that establishes reasonable and sufficient guarantees for Honduras' security. As for disarmament -- that is, limitation, reduction, and control of arms and forces -- the Contadora proposal defers the negotiation of limits and schedules for the reduction of arms and forces to a later date. Honduras' stance regarding this fundamental aspect of the document is that the duties related to this document must be established strictly and clearly in the text of the document.

The Contadora Group proposes later negotiations on disarmament, which means uncertain results and which would provoke the suspension of other security pledges, thus also jeopardizing the principles of reciprocity and simultaneity that have characterized the negotiations. In addition, to accept a contingent and uncertain situation regarding disarmament would amount to recognizing and sanctioning an already existing and de facto situation, namely, the military hegemony of one of the Central American states over the others.

I also want to say that the Contadora proposal does not properly reflect the view accepted by four Central American governments regarding the use of the factorization table, which is the basis for the establishment of the upper limits of military development. Quite the contrary, this proposal reflects subjective views of difficult multilateral evaluation that would render impossible an accord on the limitation, reduction, and control of armaments and forces. Furthermore, I want to point out that, in Chapter Three, a new paragraph three tries to revive matters that were dismissed in the negotiations of plenipotentiaries because those matters affected constitutional provisions in four countries.

As for military exercises, I observe an unacceptable return to the Contadora version of November 1985. Mistakenly, the proposal equates military exercises, the arms race, and military development.

As I said during our meeting in Panama, the Honduran Government marks Contadora's statement that with the last draft, the group has reached the end of its mediation efforts on the most important topics in the document, but that the group, however, would be willing to cooperate in negotiating the operational and practical aspects of the document. Similarly, I note your friendly intention that the negotiations on the operational and practical aspects of the document be completed before the instrument is signed. However, and as the ministers aptly said in their 6 June note, these matters could only be touched upon systematically to the extend that the commitments related to the basic aspects of the document are defined and accepted.

Despite this, I could not finish the message without mentioning again the Honduran Government's deep gratitude for the Contadora Group's huge and persevering efforts to achieve a lasting peace in Central America. I can attest to your exhaustive working sessions for more than 3 years, during which you demonstrated physical stamina and a conciliatory intellectual willingness worthy of the loftiest cause.

If Contadora has not been as successful as we wanted it to be, it has not been the fault of the group. History will register those efforts as one of the most beautiful examples of American solidarity. More than an abstract ideal, it is a real fact that exists and illumines our continent's future.

In the certainty that Honduras will continue to participate constructively in all that fosters peace in the area, I remain yours truly,

[Signed] Carlos Lopez Contreras, foreign minister

NICARAGUA

GOVERNMENT ISSUES WARNING TO NEWS MEDIA

PA080457 Paris AFP in Spanish 0440 GMT 8 Jul 86

[Excerpts] Managua, 7 Jul (AFP) -- The Sandinist government today warned the news media to "beware" of the politicians who use "pluralism to wage a counterrevolution" and stated that it will sanction "any" medium that "violates the state of emergency."

In statements to Radio Sandino, Captain Nelba Blandon, director of communications of the Interior Ministry, said that the opposition politicians may use the news media to criticize, "but not to destabilize," because pluralism does not mean counterrevolutionary pluralism."

The government ordered the indefinite closure of the newspaper LA PRENSA, the only opposition paper, accusing it of acting as "Reagan's agent" following the U.S. Congress' approval of $100 million for the contra groups on 25 June.

The authorities announced that, given this "open declaration of war," measures would be adopted to "counter U.S. imperialism's internal agents."

Blandon recalled that President Daniel Ortega recently said that "the state of emergency which has prevailed since 15 October 1985 will be strictly enforced" from now on.

"Any medium that violates the law or makes an attempt against public security or the defense of the country shall be sanctioned accordingly, "Blandon said, and she added: "no one can say they ignore the laws."

OPPOSITION PROTESTS NEW POLITICAL RESTRICTIONS

LA PRENSA, Priests Cited

PA050250 Panama City ACAN in Spanish 1915 GMT 4 Jul 86

[By Denis Garcia Salinas]

[Text] Managua, 4 Jul (ACAN-EFE) -- Nicaraguan Opposition legislators have harshly criticized the political measures that were taken by the Sandinist government against the press and the church in the wake of the approval of U.S. aid for the contras. However, the measures were totally supported by lefitst groups.

The Popular Social Christian Party (PPSC) and the Democratic Conservative Party (PCD), left the National Assembly yesterday without voting on or signing a document that condemns the approval of $100 million for the anti-Sandinists.

For their part, the deputies of the Independent Liberal Party (PLI) did not attend the legislative session, an action which Commander Carlos Nunez, president of the assembly, interpreted as an abstention from the vote on the condemnation promoted by the government.

The Social Christians and the Conservatives, who support the revolution but oppose the government's leadership, cricitized the Sandinists for their "incompetence" and lack of "tact" in handling the present political situation. They also demanded the reopening of the opposition paper LA PRENSA and the radio station Radio Catolica, and the return of their priest Bismarck Carballo to the country.

PPSC President Mauricio Diaz denounced the aid to the rebels, but he also attacked the Sandinists for the "virulence" with which they acted against the newspaper LA PRENSA, and for their attempts to "mislabel" the opposition as an "internal contra front."

Mauricio Diaz said that President Daniel Ortega acted in an "arrogant and improper" manner in barring those who attack the revolution from entering the country.

President Daniel Ortega said he will not permit Nicaraguan opponents who wage a campaign against the revolution and support a policy of interference to return to the country.

The PCD also reviled Ortega and Commander Bayardo Arce for statements which, in its opinion, violate "human rights" and demonstrate that "there are no rights" in the country.

The leftist opposition, represented by the Communists and the Marxists-Leninists of the Popular Action Movement, supported the indefinite suspension of LA PRENSA and the barring of Monsignor Carballo.

The two parties asked the government to "act firmly" against parties that become "agents of the Reagan administration" and that do not desire a "deepening of the revolution of the proletariat."

The parties that make up the Nicaraguan Democratic Coordinating Board have demanded that LA PRENSA and Radio Catolica be reopened and that Bismarck Carballo, who is currently in Miami, be allowed to return to the country.

These groups, which have no seats in the assembly and which did not participate in the 1984 elections, refrained from criticizing the United States for the aid to the rebels, and instead accused the Sandinists of threatening their members with "exile and even death."

Commander Carlos Nunez said that the United States, through its embassies in Managua, "will not rest in its attempts to create a counterrevolutionary political opposition" to "plot" against the revolution.

Peace Plan Proposed

PA072341 Panama City ACAN in Spanish 2054 GMT 7 Jul 86

[Text] Managua, 7 Jul (ACAN-EFE) -- Six Nicaraguan opposition parties today proposed the formation of a "pluralist and representative" national peace commission to arrange a "cease-fire" in this country.

During a news conference, the dissidents demanded that the government lift the sanctions against two priests and an opposition newspaper. They stated that this "second proposal" to the Sandinist government could "solve our country's crisis."

The Sandinist authorities decided to hastily enforce the state of emergency law that has been in effect since 1982, after the United States granted $100 million in aid to the Nicaraguan counterrevolutionaries on 26 June.

Managua's opposition newspaper LA PRENSA was closed "indefinitely" after it was accused of being the "mouthpiece of U.S. interests". More recently, two leaders of the Catholic Church were not allowed into the country because they "fostered" campaigns against the revolution, as it was officially announced.

The PCD, the PPSC, the Independent Liberal Party [PLI], the Social Democratic Party, the Nicaraguan Conservative Party, and the Constitutionalist Liberal Party support this proposal.

Social Democratic Party President Luis Rivas Leiva told newsmen that the recently drafted document had not yet been submitted to the Sandinist government.

On 30 January, those same six parties introduced a 6-point proposal demanding a "peace agreement, elections, and the repeal of the emergency law, new elections, general amnesty, and an end to the hostilities between the government forces and the unconventional forces, as a first step to bring peace to the country. [no end quotation mark as received]

The peace commission would be made up from "the country's different sectors", excluding "military sectors".

The opposition parties noted that "the government is making a mistake in hiding behind measures that further restrict the citizens' freedom, and are at odds with respect for human rights."

The document stressed that the measures which the government is implementing fan "the vicious circle of violence" which "Nicaraguans are experiencing."

Moreover, the oppositionists said that U.S. military and economic support [as received] and the government's reaction only lead to "a reinforcing of militaristic options and the increase in the arms race."

In their statement, the political groups blamed the Contadora Group for "eschewing" the need for democratization and for "the deterioration of the national and regional crisis."

PLI President Virgilio Godoy said that "Contadora has concluded its process of negotiations, and the solution has been left in the hands of Central Americans."

The Contadora Group, comprising Panama, Mexico, Colombia, and Venezuela, has been promoting since 1983 a peace document to end the Central American crisis.

Nunez Calls Meeting

PA071947 Panama City ACAN in Spanish 1928 GMT 7 Jul 86

[Excerpt] Managua, 7 Jul (ACAN-EFE) -- Nicaragua's 11 political parties were summoned to the National Assembly today by its president, Carlos Nunez Tellez, to "discuss recent developments," it was officially reported.

All of the parties in good standing, whether or not they are represented in the assembly will attend, a National Assembly spokesman said.

It was learned that Commander Joaquin Cuadra, chief of the EPS General Staff, will speak at this afternoon's meeting.

AUSTRIA OPENS DIPLOMATIC MISSION IN MANAGUA

AU021447 Vienna WIENER ZEITUNG in German 2 Jul 86 p 2

[Excerpt] Managua -- On Tuesday [1 July] the first official Austrian representation was opened in Managua. It is led by Josef Pernerstorfer, who in the past was in charge of the policy department of section seven (development aid) in the Austrian Foreign Ministry. The new mission comes under the Austrian Embassy in Mexico.

NEW ZEALAND LABOUR PARTY PRESIDENT VISITS

PA040016 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 3 Jul 86

[Text] The president of the New Zealand Labour Party, Margaret Wilson, who is visiting our country, has confirmed her party feels the ruling of the International Court of Justice at The Hague is extremely important and criticized the U.S. stand on Nicaragua.

Mrs Wilson, accompanied by (?Helen Clark), has had several meetings with Nicaraguan government officials and has visited several areas of the country. The two ladies said the following concerning the U.S. refusal to accept the ruling of the International Court of Justice at The Hague:

[Begin recording of unidentified speaker in English, followed by Spanish translation] We think it is a poor basis to proceed in, when you expect decisions which you like, and not decisions which you do not like. That is why it is very important for the international community to express its support to the International Court, and to try to persuade the United States to comply with the decision. [end recording]

They reported that in their country funds are being collected to finance social projects in Nicaragua for the benefit of women and children. When mentioning the $110 [figure as heard] million approved by the U.S. Congress for the contras, they said:

[Begin recording] [Unidentified speaker in English, followed by Spanish translation] We think it is very demoralizing to see positive projects and then a contra action which destroys it. [as heard] But it is very important not to destroy the morale behind the projects that (?are rebuilding).

[Reporter] Have you learned anything about the constitutional process in Nicaragua?

[Unidentified speaker in English, followed by Spanish translation] I think it is probably the most (?publicly debated) constitution of the world. We have been very impressed by the amount of public debate and exchange being made. We are particularly impressed by the contribution that women are making. We have found it very interesting, because (?we do not have) a written constitution. Maybe we can learn something from you. [end recording]

GRANMA VIEWS 'YANKEE CONSPIRACY' AGAINST PANAMA

PA060432 Havana International Service in Spanish 0000 GMT 6 Jul 86

[From the press review]

[Text] Under the title "Yankee Conspiracy Against Panama," the Cuban newspaper GRANMA analyzes the slander campaign unleashed by Washington to destabilize the isthmian nation and to avoid having to comply with the Torrijos-Carter Canal Treaties. Signed by Juan Marrero, the article says the outrageous and brutal charges made by the United States against General Manuel Antonio Noriega, chief of Panama's Defense Forces, are a definite part of the conspiracy.

The article says that even before assuming the presidency, Ronald Reagan had written the prologue of the book "Surrender in Panama," in which he says the United States planned and built the canal and it should not be handed over under any circumstances to the Panamanian people. The Santa Fe Document, which is the guideline of the White House's inter-American policy, is opposed to the treaties. It termed the government of Omar Torrijos as a brutally aggressive extreme left-wing dictatorship, Marrero writes. The GRANMA article on the Yankee conspiracy against Panama says Omar Torrijos died in 1981 under circumstances that still are not too clear and adds that CIA plans to physically eliminate Torrijos had been reported.

GRANMA says that during the past 6 years, insults and attacks against Panama have been constant and have increased by the same pace as the Panamanian Government's and Defense Forces' reiterations that they will ensure the Torrijos-Carter Treaties are compiled with. Juan Marrero says neither Reagan, the Pentagon, nor any U.S. warmonger were the least bit pleased that Gen Noriega decided that in accordance with the treaties the School of the Americas should leave the Canal Zone. Nor did the Yankee administration like the upright position taken by Torrijos when Washington tried to give him orders as to his relations with Cuba and he replied that such orders could be given to Puerto Rico but not to an independent state like Panama.

In his article "Yankee Conspiracy Against Panama," Marrero explains that Panama's participation in the Contadora Group -- which is trying through negotiations to end the Central Amrerican crisis and prevent the generalization of the conflict -- is also bothersome for Washington.

In view of all this, GRANMA says, the U.S. Government has tried to destabilize Panama through plans by the CIA, using as instruments people like extreme right-wing Senator Jesse Helms. GRANMA says much infamy and lying prevails in this campaign, whose instigators have no morals or honesty. Besides, the insults and alleged charges lack any foundation or proof.

The United States is no doubt doing all it can to subdue the Panamanian Defense Forces. It therefore reduced aid to the Defense Forces from $30 million in 1984 to $6 million this year. With the aid reduction and the constant slander campaign, Marrero says in his article, the Yankees are confident that the U.S. military bases in the Canal Zone will not be dismantled and that the canal will not be run by Panamanians in the year 2000.

These are the true intentions of imperialism in Panama. The intentions of the Panamanian people are absolutely different, and no one can have any doubts about the Panamanian people's anti-imperialist and anticolonialist struggles.

JUDICIAL ASSISTANCE PROTOCOL SIGNED WITH USSR

FL080126 Havana Television Service in Spanish 0000 GMT 8 Jul 86

[Text] A protocol was signed in Moscow today on the exchange of ratification instruments of the Cuban-USSR agreement on judicial assistance in civil, family, and penal matters. The protocol, which consists of 76 articles, provides the citizens of the two countries with the right to freely address the courts and judicial institutions regarding civil, family, and penal matters, and to participate in them by presenting complaints and requests.

The document was signed by Luis Felipe Vazquez, Cuban charge d'affaires, and by Leonid Ilichev, USSR deputy foreign minister, who stressed that the document complements bilateral relations and strengthens the legal base of cooperation between the two socialist countries.

MALMIERCA CALLS FOR SANCTIONS ON SOUTH AFRICA

FL072154 Havana Radio Reloj Network in Spanish 1802 GMT 7 Jul 86

[Text] Cuban Minister of Foreign Relations Isidoro Malmierca and the president of the Southwest African People's Organization [SWAPO], Sam Nujoma, have called for the application of total compulsory sanctions against South Africa.

Malmierca and Nujoma, who are in Vienna attending the international conference for the immediate independence of Namibia, exchanged views on relations between Cuba and SWAPO and on the present situation in southern Africa.

Nujoma expressed his confidence that the conference will encourage international action in favor of Namibian independence. The Cuban foreign minister expressed our country's support for the Namibian people's struggle for full independence, and accused South Africa of being the main obstacle to peace in southern Africa.

RISQUET RECEIVES ZIMBABWEAN EDUCATION MINISTER

FL080120 Havana Television Service in Spanish 0000 GMT 8 Jul 86

[Text] Central Committee Politburo member Comrade Jorge Risquet Valdes this afternoon received Zimbabwean Minister of Education Dzingai Matumbuka. The African minister, member of the Zimbabwe African National Union-Patriotic Front Politburo, heads the Zimbabwean delegation attending the first session of the joint intergovernmental Cuban-Zimbabwean Commission for Economic, Scientific, and Technical Cooperation, which began today in Havana.

Risquet, who heads the Cuban delegation, told the visitors that the idea of developing this cooperation originated in the October 1985 summit meeting between Zimbabwean Prime Minister Robert Mugabe and commander in chief Fidel Castro.

CARICOM CONFERENCE ENDS; COMMUNIQUE ISSUED

FL050100 Bridgetown CANA in English 0300 GMT 5 July 86

["Text" of communique issued by Caribbean Community members in Georgetown, Guyana on 4 July]

[Text] Georgetown, Guyana, July 4, CANA -- The conference of heads of government of the Caribbean Community held its seventh meeting in Georgetown, Guyana from July 1-4, 1986. All 13 member states of the community were represented as follows -- the Hon Lester Bird, deputy prime minister, Antigua and Barbuda; the Rt Hon Sir Lynden Pindling, prime minister, the Bahamas; the Rt Hon Errol W Barrow, prime minister, Barbados; the Rt Hon Manuel Esquivel, prime minister, Belize; the Hon Mary Eugenia Charles, prime minister, Dominica; the Hon Ben Jones, minister of external affairs, Grenada; his excellency Hugh Desmond Hoyte, SC president, Guyana; the Rt Hon Edward Seaga, prime minister, Jamaica; the Hon John Osborne, chief minister, Montserrat; Dr the Rt Hon Kennedy Simmonds, prime minister, Saint Christopher and Nevis; the Rt Hon John Compton, prime minister, Saint Lucia; the Rt Hon James Mitchell, prime minister, St Vincent and the Grenadines and the Hon George Chambers, prime minister Trinidad and Tobago.

Roderick Rainford, secretary general of the Caribbean Community served as chairman during the inaugural esssion.

Heads of government observed one minute silence as a mark of respect to the late president of the Cooperative Republic of Guyana, his excellency LFS Burnham. Heads expressed their sorrow at the death of the late vice chancellor of the University of the West Indies, Dr A Z Preston.

The opening address at the inaugural ceremony was given by his excellency Hugh Desmond Hoyte, S C president of Guyana. In his address, the president stated that, to his mind, the community had arrived at a stage where a prime requirement for its further advance was the establishment of effective and diversified linkages among the economies of member states. He therefore called upon member governments to move rapidly and resolutely towards the concept of an integrated regional economy.

President Hoyte continued: As hosts, we in Guyana entertain the hope that the conference will be a landmark in the process of the community. We look forward to the conference adopting clear and implementable decisions that involve the identification of practical projects and programmes, within a well-defined framework of time and policy decisions that will quicken the pace of regional integration and bring about substantial advances towards the goal of satisfying the needs of our people and securing for them ample opportunity for development of their personalities in all their wonderful and manifold aspects.

Speeches were also delivered at the opening ceremony by the Rt Hon Errol W Barrow, the Rt Hon Manuel Esquivel, the Hon John Osborne and Dr the Hon Kennedy Simmonds.

The president of Guyana was elected by acclamation to the chair of the meeting.

The conference conducted its business through a plenary, a caucus of heads of government and an economic and general committee.

Heads of government received and considered recommendations from the 28th meeting of the Common Market council, the 10th meeting of the standing committee of ministers responsible for finance, the 12th meeting of the standing committee of ministers responsible for foreign affairs, the 10th meeting of the conference of ministers responsible for health and the meeting of attorneys general and ministers responsible for legal affairs on drug abuse and illicit trafficking.

International economic issues:

Heads of government examined the impact of recent international developments on the economies of the region. They observed the constant, if modest, signs of economic recovery in most OECD countries and in, in the case of the United States, the more significant but more volatile movement of the economic indicators.

They noted with concern that these signs of recovery in the developed western economies were not accompanied, as had been the case in the past, by an improvement in the prices for primary commodities in which Caricom member states had a traditional interest.

They recognised that this lack of relationship between improved economic performance in the developed countries and resultant economic benefits to commodity-exporting countries was partly a consequence of structural and technological changes in the economies of the former.

They also noted that the recovery had produced opportunities for exports of non-traditional products, but expressed concern that these could be thwarted by a growing trend of protectionism in a number of developed countries.

In this connection, heads of government welcomed the opportunities which the new round of multilateral trade negotiations under the auspices of the General Agreement on Tariffs and Trade (GATT) could provide for the reduction of trade barriers.

They noted however the initiatives taken by some countries to introduce new areas for consideration in the negotiations. In the light of these new trends, heads of government resolved to take steps to secure the interest of Caricom countries.

Heads of government welcomed the conclusions of the UN special session on the African economic crisis and were particularly gratified that the United Nations programme of action for African economic recovery 1986-1990 approved by the special session embodied both the resolve of the African continent and the solidarity of the world community. They heralded this as a sensitive development in multilateral cooperation and expressed the profound hope that this approach by the international community to the solution of the problems prevailing in the developing world would become a norm in international economic cooperation.

Structural adjustment and external financing for development and reconstruction:

In the light of the understanding reached in Nassau in 1984, heads of government commended those member states which had since introduced rigorous structural adjustment programmes designed to strengthen the competitiveness of their economies and to deal with a seriously adverse balance-of-payments and fiscal situation.

The heads felt that the countries of the region had adequately satisfied the conditions for an immediate and substantially enlarge inflow of external financing from both official and private sources at levels and on terms appropriate to their unique circumstances and very urgent development and reconstruction needs.

In that context heads of government expressed concern over the continuing heavy debt servicing burden being experienced by several of their countries. They strongly endorsed the call being made by a very substantial number of developing countries, and in many fora, for immediate action by creditor governments and institutions to achieve a meeting of minds with indebted countries on debt relief and other related measures which will open the way for an early reactivation of their development.

The Georgetown declaration on the deepening and widening of Caricom:

Heads of government adopted a declaration on the deepening and widening of Caricom, which embodies a number of decisions with respect to encouraging the development of regional production and the negotiation of trade arrangements with neighbouring countries in the Caribbean and Latin America.

In relation to the development of regional production, heads of government felt that the stage had now been reached for making more concrete efforts to stimulate regional investment, particularly through the development of joint ventures. In that context they decided to adopt and introduce a Caricom enterprise regime and a protocol on regional industrial programmes, before their next meeting.

They also recognised that efforts must continue to formulate a truly common external tariff and common protective policy against third countries and a revised regime for the harmonisation of fiscal incentives to industry, taking into account in both exercises the need to produce at competitive prices for both regional and extraregional markets. Heads of government agreed that work should be speeded up on the negotiation of trade and economic cooperation agreements between Caricom and the Dominican Republic, Haiti and Suriname.

They also gave a similar directive with regards to the negotiation of arrangements with countries of the Andean Pact, Brazil and Mexico. The heads of government further stressed the importance of taking initiatives for closer trade relations with the French Netherlands Antilles.

Intra-regional trade:

Heads of government noted the trends in intra-regional trade and the status of the implementation of the package of measures agreed to in Nassau, the Bahamas for the resuscitation of such trade. They agreed to take all necessary steps to complete the implementation of these measures and within the limits of their foreign exchange management policies and the provisions of the treaty to identify and remove all non-tariff restrictions on intra-regional trade.

They further agreed that member states which imposed stamp duties on imports would review such measures with a view to their discontinuance in respect of Caricom trade. Opportunity was taken at the conference to advance a number of trading matters in bilateral discussions. Conference took note of the understanding reached on those issues.

Agricultural matters:

Heads of government noted the status of the implementation of the new marketing arrangements for primary agricultural products and livestock.

They agreed that member states which had not yet completed implementation of these arrangements be granted up to September 30, 1986 to complete the outstanding arrangements.

In reviewing regional trade in agricultural commodities, heads of government took note of a number of specific problems with respect to trade in beef, sugar, arrowroot and oils and fats. Heads of government decided on steps to be taken in dealing with the problems raised.

Financial Cooperation

Heads of government agreed to establish a Caricom export credit facility, in recognition of the importance of payment and credit arrangements in support of extraregional and intraregional trade flows. The facility will provide pre-shipment and post-shipment credit to regional exporters particularly for products marketed extraregionally.

Heads of government requested the president of the Caribbean Development Bank and the secretary-general of Caricom to approach the donor community with a view towards mobilising the external resources required for the facility. They called upon the international community, particularly financing agencies, to remember all possible support to enable them to launch the facility by 1 July 1987. The heads also noted the efforts being made to find a workable solution to the difficulties which currently inhibit the resuscitation of the Caricom Multinational Clearing Facility. (CMCF)

Programming of resources for regional projects under Lome III

Heads of government noted with satisfaction the entry into force of the Lome III Convention on 1 May 1986. They identified agriculture, tourism, transport and communication, human resource development and trade promotion as the priority sectors for the allocation of resources under the regional indicative programme.

Such indicative allocations were agreed on the basis of special consideration for the LDCs [lesser developed countries] in the programming process. Conference directed that the programme should be submitted to the European Economic Community (EEC) by the end of July 1986.

Caribbean Basin Initiative

Heads of government discussed the review of the Caribbean Basin Initiative undertaken at its request by a technical group. It noted the recommendations which had been submitted by the council and requested the council to keep these under review. They agreed to coordinate their efforts in Washington with a view to making optimal use of the benefits available under the CBI.

Caribcan

Heads of government reviewed the proposal by the government of Canada for a scheme for trade and economic cooperation for the Commonwealth Caribbean. While acknowledging the potential benefits and value of the programme, they resolved to pursue further discussions with the Government of Canada on certain proposals made by Caricom countries and not taken into account in the Caribcan provisions.

Protection of the region against the results of accidents in nuclear plants:

Heads of government expressed concern at the several recent nuclear accidents and the potential danger posed to the security, health and economic well-being of Caribbean states by nuclear plants in the hemisphere and at the possible utilisation of the region for the purpose of dumping toxic and nuclear wastes.

They instructed the secretariat to develop, in consultation with regional and other authorities, a regional strategy of nuclear disaster preparedness and prevention project (PCDPP) the task of developing a component to deal with emergencies in the event of nuclear accidents.

They requested Caricom member states of the International Atomic Energy Agency to represent the region's interests in forthcoming IAEA-sponsored negotiations on nuclear safety, special attention being paid to safeguards, monitoring and standards.

Heads of government noted that the IAEA was developing international standards for nuclear power plants which included such considerations as siting, design and quality assurance.

They agreed that Caricom would mount an initiative in all appropriate international fora to bring their concerns to the attention of the wider international community.

The problems of small states:

Heads of government welcomed the profound and wide-ranging examination into the vulnerability of small states undertaken by a Commonwealth study group.

The group had examined the negative effort on the security, sovereignty, and development of small states resulting from the military, economic, administrative and other weaknesses inherent in their smallness.

In the case of the Caribbean, heads of government were convinced that regional cooperation, optimal mobilisation of the region's human and natural resources, and the full utilisation of its geographical and other advantages could help to secure for the people of the region the continued strengthening of their independence, sovereignty and integrity. Heads of government committed themselves once again to this end and decided to continue their examination of the measures proposed in the report with a view to implementing those appropriate to the region.

Drug trafficking

Heads of government expressed their growing concern at the increase in illicit use of drugs and increased drug trafficking, including the trans-shipment of drugs through member states.

They noted the harmful effects of these illegal activities on the health, security, morality, and general well-being of the Caribbean peoples.

Heads of governments pledged to intensify their individual and collective efforts in the elaboration and implementation of programmes of prevention, detection, eradication, prosecution, treatment, and rehabilitation.

They noted that the success of such programmes required the highest possible level of public awareness and of collaboration among agencies at the national and regional levels.

They called on the Caricom secretariat to work closely with the OECS secretariat and other regional agencies in the continued development and implementation of a regional approach.

They agreed to a request from the government of Suriname for a close relationship between Suriname and the Caribbean Community on this matter.

Heads of government also noted a number of initiatives aimed at galvanising the efforts of the international community to remove the scourge of illicit drugs from contemporary life.

In particular, they pledged the full and coordinated participation of the Caribbean Community in the work, including the preparatory work, of the United Nations international Conference on Drug Abuse and Illicit Trafficking in Vienna in June 1987, the interregional meeting of heads of national drug law enforcement agencies in Vienna in July/August 1986, and the Commonwealth law minister meeting in July 1986.

Heads of government were conscious that governments alone could not successfully tackle the problem. They therefore called for the widest possible participation of community leaders and groups in the fight to save present and future generations of Caribbean peoples from the hazard of illicit drugs.

International peace and security:

General review

Heads of government reviewed developments in the international political environment since their last meeting and expressed concern that many of these developments signified an escalation of international tension and a deterioration in the state of global security.

They were concerned at the persistence of many longstanding conflicts in various regions of the world and at new examples of the resort to the threat and use of force in the conduct of inter-state relations.

Heads of government also expressed their deep concern at the growing use of international terrorism as a political tactic.

They appealed to the international community to undertake corrective action in dealing with the problem of international terrorism and to seek more positive and peaceful solutions to all international problems.

Heads of government were encouraged by the meeting in Geneva in November 1985 of the President of the United States and the general secretary of the Communist Party of the Soviet Union and by the subsequent exchange of proposals for the reductions in the arsenals of the nuclear powers.

They stressed that the pursuit of detente and disarmament was not just a convenient diplomatic option but an imperative for the well-being of the international community and indeed for the very survival of the planet.

Heads of government received a report from the prime minister of Belize on the latest situation relating to the claim by Guatemala to Belizean territory.

They reiterated the unwavering support of the Caribbean Community for the government and people of Belize in their continuing efforts to preserve the sovereignty and territorial integrity of their country.

Guyana/Venezuela:

Heads of government adhered to their previously stated position on the controversy which had arisen as a result of the territorial claim advanced by Venezuela against Guyana.

They noted the attempts being made by the two countries to resolve the issues and encouraged their continuing search for a peaceful solution.

They commended the parties for cooperating fully with the secretary general of the United Nations in the discharge of the mandate, given under the terms of the Geneva Agreement of 1966, to choose a means of settlement.

Heads of government welcomed improvement in Guyana/Venezuela relations and expressed the hope that this would lead to increased friendship and cooperation between them.

Caricom/Latin American relations:

Heads of government welcomed the decision by the Organisation of American States (OAS) to amend its constitution to assure the right of Belize and Guyana to membership in that organization by 1990.

In reaffirming the need for full adherence to the principle of universality of membership, heads of government called for the elimination of exclusionary provisions in other regional treaties and arrangements.

Central America:

Heads of government were concerned that a definite settlement of the conflict in Central America had not yet been reached.

Persuaded, however, that a peaceful solution could only be achieved through a process of dialogue and negotiation, they reaffirmed their support for the Contadora Group and encouraged it to persist in its efforts, in collaboration with the Lima Support Group, to obtain an agreement aimed at securing peace, stability, and development for the countries of Central America. They called on all states to give full support to this diplomatic pursuit.

Heads of government restated their abhorrence of the apartheid system. They condemned the contemptuous defiance of international public opinion shown by the racist regime in Pretoria and have issued a declaration on South Africa, which is attached. [as received]

In noting the heightened efforts of the people of South Africa to liberate themselves from the evils of apartheid, they have reaffirmed the solidarity of their peoples with the just struggle of all peoples and countries in the southern Africa region.

Heads of government have agreed that should the Commonwealth review committee meeting be held in August fail to reach unanimity on the further sanctions envisaged in the Nassau record, the prime minister of the Bahamas, as chairman of the last Commonwealth heads of government meeting, should call for an emergency meeting of all Commonwealth heads of government.

Caricom heads of government mandated the chairman of the conference to transmit copies of their declaration to all Commonwealth heads of government attending the review meeting.

Heads of government also reiterated their condemnation of the continued illegal occupation of Namibia and the wanton exploitation of its resources by the racist regime in South Africa. They once again called for the speedy implementation of UN Security Council Resolution 435 (1978) to bring Namibia to early independence.

The heads of government reiterated the need for an intensification of efforts to achieve a just and lasting settlement on the basis of the relevant United Nations resolution.

They reaffirmed their conviction that such a settlement could best be attained within a framework which included respect for the rights of the Palestinian people, in particular their right to a homeland of their own. Israel's withdrawal from occupied Arab territories, and the acceptance of the right of all states in the region to a peaceful existence with safe, secure, and recognized borders.

They also reiterated their concern over the continuing conflict between Iran and Iraq and expressed the hope that the parties would heed the call of the international community to desist from further hostilities and to seek a negotiated settlement.

Post of secretary general:

Mr Roderick Rainford agreed to the proposal of the heads of government that he continue to serve as secretary general for a further two years, to complete a full five-year term.

Date and venue of next meeting:

Conference accepted the offer of the Government of Saint Lucia to host the eighth regular meeting during the week ending July 4, 1987.

Conference also accepted the offer of the government of Antigua and Barbuda to host its ninth regular meeting during the week commencing July 4, 1988.

Closure:

The heads of government expressed their satisfaction over the atmosphere of cooperation which characterised the deliberations and led to successful conclusions for the strengthening of the community and Common Market. The heads paid tribute to his excellency Desmond Hoyte for his skillful chairmanship of the conference and expressed their deep appreciation to the government and people of Guyana for their warm and generous hospitality.

Georgetown, Guyana

4 July 1986

Appendix:

The Georgetown Declaration on the Deepening and Widening of Caricom

We have decided that the stage has now been reached where specific initiatives must be taken to implement Articles 34, 46, and 47 of the Common Market annex to the Treaty Chaguaramas (dealing with external trade policy, Common Market industrial programming, and joint development of national resources).

These specific initiatives must accompany efforts to formulate a truly common external tariff (CET) and common protective policy against third countries and a revised regime for the harmonisation of fiscal incentives to industry -- taking into account, in both exercises, the need to produce at competitive prices for both the regional and extra-regional markets.

A major effort must now be made to promote and establish mechanisms and arrangements that will result in greater complementarity in the structures of production of our respective countries.

Such an effort should be geared, wherever feasible, towards the utilisation of both intraregional and extraregional market opportunities. The mechanisms and arrangements themselves must be flexible enough to be tailored to the concrete opportunities that arise.

We are convinced that, in the present situation, the closest possible cooperation should be pursued between governments and the private sectors so that national capacities could be fully mobilised in developing regional production.

In order to promote greater regional investment initiatives, particularly in the development of joint ventures, all of our member states have now indicated their readiness to adopt and introduce a Caricom enterprise regime by 31 December 1986. We have instructed the secretary general of Caricom to convene an early meeting of regional officials for a final review of the draft text of the regime to see whether any of its provisions require updating in the light of recent developments and to report promptly to member states on the matter.

We recall earlier decisions by our conference and the standing committee of ministers responsible for industry (SCMI) on an operational regime for Caricom industrial programming. We now mandate the secretary general of Caricom to embody these decisions in a protocol for signature by member states before the end of this year.

We now emphasise the need for the standing committee of ministers responsible for industry, national ministries of industry, and agencies responsible for investment promotion and the private sector to direct their efforts to begin implementing the projects which have been identified. Conference looks forward to being advised within the next two years that several such projects are in production.

In relation to external trade policy, we agree upon the need to focus more sharply on specific markets in a phased approach towards the widening of our trade and economic relations with the rest of the Caribbean and the mainland countries of Latin America, as well as with non-traditional markets with the rest of the world.

We recognised in the Nassau Understanding, adopted at our fifth conference, that as a first step, Caricom should develop trade and economic cooperation agreements with the Dominican Republic and Suriname. Increased attention should also be given to expanding trade with the French and Netherland Antilles. In this regard, we call for a speeding-up of the work of the joint technical groups between Caricom and the Dominican Republic, Haiti, and Suriname.

We also mandate the secretary general of Caricom to speed up the work of the negotiation of broadly-based trade and economic cooperation agreements with member countries of the Andean Pact and with Brazil and Mexico.

We are aware of the importance and urgency of improving and developing transportation and marketing infrastructure within Caricom as well as between Caricom and the wider Caribbean-Latin America area.

We are acutely conscious of the importance to our trade and economic development of the forthcoming new round of multilateral trade negotiations with the GATT and of the work that will shortly begin under the auspices of UNCTAD on the negotiation of a Global System of Trade Preferences (GSTP) among developing countries. We have agreed that the Caricom countries should actively participate in both of these negotiations and as the Caricom Common Market council to take appropriate steps to advance regional preparations for them.

We present the rationale [words indistinct] production of our economies, especially the production of manufactured goods, is very similar and largely competitive. There is little complementarity. This derives essentially from two factors. Firstly, while some progress has been made in deepening our production processes, our manufacturing is still largely of a finishing character, based on raw materials, intermediate goods, and components imported from third countries.

Secondly, production is for the most part for our national market or for the market of some particular member of the community. There is little specialization at either the national or regional level, based on raw materials in the national economies, and there is no interlocking of enterprises based on the marriage of raw materials from different national economies.

The result is that neither economies of large-scale production nor inter-country linkages in production are achieved. Yet the importance of the greater use of inter-country production linkages and of specialisation leading to larger scale and more diversified production and exports was recognised and provided for in the Treaty of Chaguaramas. [word indistinct] countries all point to the lack of inter-connectedness either at the level of the national economy or the enterprise.

One of the major constraints to the development of a firmly based manufacturing sector producing for both regional and extra-regional markets is the perceived lack of regional raw materials and other inputs.

Scope for Production Integration

A careful analysis of the raw materials has across our Common Market reduced significant deposits of petroleum and natural gas, ceramic and bauxite clays, limestone, and high-grade silica sands.

We now produce steel and have significant foundry capacity. We have large forests, with a variety of hard and soft woods. We produce or used to produce large quantities of cotton. The fisheries resources are especially rich in certain parts of our seas and, with the international acceptance of the 200-mile exclusive economic zone, our fisheries resources might even be considered effective.

The land resources to produce large quantities of livestock, grain, and fruits and vegetables for processing exist. We produce large quantities of sugar cane and are capable of producing significant quantities of agricultural materials such as cassava.

There is thus scope for a range of wood-based industries (plywood and veneer, prefabricated houses, wooden furniture, sashes and doors, wooden boats, pulp and paper); of clay-based industries (ceramic ware-tiles, sanitary ware, table ware, craft ware-fibre optics); for limestone and sand-based products (glass aggregates, silica, bricks, foundry moulds); for petroleum-based products (hydrocarbon-based plastics, detergents and fertilisers); for sugar-based products (ethanol, animal feed, alcohol, pharmaceuticals, vinegar, yeast, building materials); for cotton and leather-based products; for processed foods and animal feedstuffs; for chemical lime and chemical pulp; and for steel-based products.

Technical, managerial and to some extent entrepreneurial expertise exists in the region to develop or undertake production based on all the resources identified, furthermore, there is a reservoir of West-Indian expertise and entrepreneurs abroad. The West Indian expertise at home and abroad can be combined and complemented by foreign enterprises and enterprises willing to do business in the region.

Limitations to Development of Integrated Industries

A major limitation to the development of integrated industries in the Common Market to date has been our perception, stated or unstated, that resources in one member state are to be developed by that member state either to provide inputs locally or exported outside the Common Market.

We have created only limited opportunities and mechanisms for the secure movement of capital and entrepreneurial and management skills to develop production based on our resources. The framers of the treaty did not venture far in this area and we have made little progress since. While we have established some joint ventures among ourselves -- the Caribbean Food Corporation, the Barbados-Trinidad and Tobago (Arawak) cement plant, the Caribbean Agricultural Trading Corporation, for example -- these have been based either on special arrangements or on the legislation of the particular host country.

Our national legislation pertaining to issues such as alien handholding gives no specific consideration to investors from other parts of the Common Market. Furthermore, our products, even of joint venture operations, have no real assurance of entry into our various markets.

The Way Forward

Member states of the Common Market should declare that nationals of other member states are welcome to participate in the development of their natural resources. They agree to encourage the integrated development of the resources of the various member states. In this regard they [words indistinct] in order to stimulate and facilitate such activities, heads of government should agree to implement, before their next regular meeting, legislative arrangements on the Caricom enterprise regime to encourage the flow of resources among the states for investments, to develop or facilitate the development of the natural resources of the region, and to make more optimal use of the entrepreneurial, managerial, technical, and other skills of the people of the region.

These arrangements will also encourage the flow of resources to undertake production for extraregional markets and to develop the foreign exchange-earning services sector of the economies. In this connection, it should be recalled that sub-paragraph (e) of Article 46 of the Common Market annex to the Treaty of Chaguramas provides for joint actions to promote exports to countries both inside and outside the Common Market.

While these arrangements are being put in place, heads of government shall request their central banks to facilitate, within their foreign exchange regulations and practices, capital account transactions designed to promote the objectives outlined above.

Heads of government should also mandate the Caribbean Development Bank and the Caricom and OECS secretariats to make available to interested investory, feasibility and pre-feasibility studies undertaken by them. (This would of course not include studies undertaken by specific clients).

Heads of government should recall earlier decisions by conference and the standing committee of ministers responsible on an operational regime for Caricom industrial programming.

They shall now mandate the Caricom secretariat to embody these decisions in a protocol for signature by member states, before the end of this year.

So much for the deepening of the regional economic integration movement. In addition, heads of government should also take action in a phased and targeted manner to widen Caricom to include other Caribbean countries and to develop closer trade and economic relations with the mainland countries of Latin-America.

Member states also need to strengthen their joint capacity for effectively monitoring and negotiating the entire range of international trade issues in their various geographical dimensions.

Anti-RSA Statement Issued

FL040037 Bridgetown CANA in English 2341 GMT 4 Jul 86

[Excerpts] Georgetown, Guyana, July 3, CANA -- English-speaking Caribbean leaders, meeting in Guyana, today issued a strongly worded statement demanding international economic sanctions to deal with the apartheid problem in South America.

In a declaration on the racially-divided country, the leaders said that to defer sanctions was to further sustain apartheid. They found this wholly repugnant and unacceptable.

The heads of government are simultaneously taking appropriate steps to communicate their views to the leaders of the European Economic Community countries and the United States, urging them to share their concerns and to respond effectively to the imperatives of change in South Africa. The people of the Caribbean Community are bound in unbreakable solidarity with all who struggle against apartheid.

Finally, if despite all efforts the Commonwealth review meeting in August fails to reach unanimity on advancing agreed Commonwealth goals on South Africa, the prime minister of the Bahamas will in the name of the heads of government call for an emergency meeting of all Commonwealth heads of government to be convened as a matter of utmost urgency.

Dominica's Charles on Conference

FL040049 Bridgetown CANA in English 2343 GMT 4 Jul 86

[Text] Georgetown, Guyana, July 3, CANA -- Dominica's Prime Minister Eugenia Charles today stressed the need for regional training of security forces and defended involvement in the U.S.-led invasion of Grenada three years ago.

Shortly before leaving Guyana at the end of the Caribbean Community (Caricom) heads of government summit, Ms Charles said that in the context of the Caribbean training of security forces together was very important.

She told a news conference Caribbean countries could work together to solve common problems such as smuggling, disasters and on anti-smuggling campaigns.

Charles said Barbados Prime Minister Errol Barrow was not in the frontline during the Grenada development, when U.S. soldiers toppled a left-wing military junta.

She added that Barrow, who had earlier said Barbados would not be used to launch attacks against any country, could not understand that the people of Grenada wanted to be rescued.

The Dominica leader said trade and the situation in South Africa were dominant topics at today's meeting of the regional heads. She added: I think mandatory sanctions should be imposed against South Africa. There is no question about that.

On trade, Ms Charles said: We agreed there was a lot of movement between countries in improving trade relations. We also have been discussing the problems we have with the European Commission and its effects on the countries involved.

Disbursement of funds under the Lome agreement was a matter of special concern to Dominica.

Seaga Rejects Political Integration

FL041530 Bridgetown CANA in English 1358 GMT 4 Jul 86

[Text] Georgetown, Guyana, July 4, CANA -- Jamaica today held out hope for improved trading relations among Caribbean Common Market states, but gave a clear thumbs down to the recently-revived concept of a political federation of the countries in the area.

Speaking at a press conference on the final day of the 1986 Caribbean Community (Caricom) heads of government conference here, Jamaica Prime Minister Edward Seaga said his optimism was based on the summit's agreement on import licensing and the release of foreign exchange for Caricom goods.

The conference has agreed that there should be no licensing and there should be no (foreign exchange) restrictions by central banks and if any country desired to enter into that sort of an arrangement because of economic difficulty, it should seek clearance from the (Caricom) council first.

That is one of the advances that has taken place here which, if adhered to, could be very useful.

Trinidad and Tobago, traditionally the most lucrative Caricom market, has maintained an import licensing and foreign exchange rationing regime, which has been partially blamed for a 26 percent decline in intraregional trade over the last three years.

Seaga expressed disappointment with the Jamaica performance on the Trinidad and Tobago market, despite new bilateral arrangements between the two states.

Insofar as the increase in Jamaica-Trinidad trade is concerned, that has not happened to the extent that we expected as a result of the visit of (Trinidad) Prime Minister (George) Chambers to Jamaica and my visit to Trinidad. There has been some improvement but it is not sufficient. There are still licensing problems and of course the (Trinidad) Central Bank still continues to play the crucial role.

Seaga said Jamaica had called for a removal of stamp duties imposed by other countries on Caricom imports. Failing that, he said, we may have to consider imposing a stamp duty ourselves... so as to have a uniform system throughout the region.

The Jamaica leader repeated his opposition to fresh attempts at political integration of the English-speaking Caribbean. For one thing, he said, the region as a single unit would lose some impact in international fora.

It is a fallacy to believe that the Caribbean would speak with the same voice, the same intensity, and gain the same respect if it was speaking as a single voice, Seaga told newsmen.

In the OAS, he said, the Caribbean, as a number of independent countries, had gained a lot of respect and had its strength in numbers.

Seaga described political integration of the region as an echo of the past adding: I do not think that you will live to see it.

The withdrawal of Jamaica and then Trinidad and Tobago in 1961 from the first West Indies political federation triggered its collapse the following year.

Seaga again supported the inclusion of non-English-speaking countries in the 13-nation Caribbean Community, particularly Haiti and the Dominican Republic.

COMMONWEALTH TO APPOINT TRADE ADVISER TO CARIBBEAN

FL032141 Bridgetown CANA in English 1520 GMT 3 Jul 86

[By Sandra Baptiste]

[Text] Georgetown, Guyana, July 3, CANA -- Commonwealth Secretary General Shridath Ramphal says a trade adviser will be appointed to assist Caribbean and other small Commonwealth member states to deal with the problems of low prices of exports of primary commodities and international protectionism.

Ramphal, here for the Caribbean Community (Caricom) summit, said his talks with regional leaders have touched on the inability of small states to lobby adequately for better access to markets and improved prices in a bid to improve their economies.

The Commonwealth is therefore putting in a special trade adviser who will act if you like as the eyes and ears of the smaller countries and who would help them in mobilising representation to ensure that their interests are adequately taken care of, Ramphal said in an interview with CANA.

He said developing countries saw the new round of trade talks, scheduled for later this year, not as a means of fighting protectionism but of enlarging their own trade possibilities.

They would like the GATT talks to go beyond trade in products and include trade in services. In other words a whole new industry of consultancies, of service industries covered by the GATT (General Agreement on Trariffs and Trade).

There is something of a contradiction. On the one hand the developing countries are saying the trade in products which now come under GATT is reeling under protectionism. You are closing your doors to our products which are now more than competitive with yours. Rather than do anything about that, you are really saying open our doors to your new service industries.

Developing countries certainly have to go on insisting that the priority in the negotiations must first be given to rectifying and returning to a situation of liberal trade in commodities and unless that happens and countries like the Caribbean are vigilant to ensure that it happens, the result of the new trade round could be a further opening up of the market to the new service industries of the rich countries, Ramphal said.

The former Guyanese foreign minister said the international economic environment had not improved since the last Caricom summit in Barbados and it will be even more difficult for member states of the regional grouping to get external financing to revamp their economies.

Ramphal, who is current chairman of the United Nations Committee for Development Planning, said the group had recommended a doubling of financial flows.

ARUBA

ECONOMIC AFFAIRS MINISTER BERLINSKY RESIGNS

FL071410 Bonaire Trans World Radio in English 1130 GMT 7 Jul 86

[Text] Aruban Economic Affairs Minister Leonard Berlinsky has offered his resignation after the government lost a motion of no confidence. Some weeks ago, Mr Berlinsky withdrew a previous offer to resign after the government's AVP [Aruban People's Party] survived an earlier no confidence motion. The opposition's motions are connected with allegations that Mr Berlinsky has been involved in corruption which he has consistently denied a judicial investigation into charges that he took bribes is now underway.

JAMAICA

CLASH BETWEEN RIVAL POLITICAL PARTIES REPORTED

FL081253 Bonaire Trans World Radio in English 1130 GMT 8 Jul 86

[Text] Members of rival political parties in Jamaica clashed yesterday in incidents in Kingston and Montego Bay. An unknown number of people were injured. In West Kingston, about 40 members of the tiny Workers Communist Party and a group of supporters of the People's National Party [PNP] exchanged shouts and threw rocks. In the other incidents, in Falmouth, about 20 miles east of Montego Bay, members of the ruling Jamaica Labor Party threw rocks at a PNP office.

The violence took place on the last day candidates had to register for provincial elections, which are scheduled now for July 19th.

SEAGA DESIGNATES CDU EXECUTIVE SECRETARY

FL061431 Bridgetown CANA in English 1758 GMT 5 Jul 86

[Text] Kingston, Jamaica, July 5, CANA -- Ruling Jamaica Labour Party (JLP) parliamentarian Clifton Stone has been appointed executive secretary of the Caribbean Democrat Union (CDU) -- the regional grouping of the rightwing political parties formed earlier this year.

According to the JLP, the Jamaica Prime Minister and CDU Chairman Edward Seaga made the announcement of Stone's appointment when leaders of CDU parties met in Guyana this week during the summit of Caribbean Community leaders.

Seaga reported that since its establishment a CDU office had been set up here and staff appointed.

Plans for the programme of work for the CDU over the next year were discussed at the Guyana meeting, but details were not disclosed.

Apart from Seaga, others at the meeting were Dominica's Eugenia Charles, St Vincent's James Mitchell, Kennedy Simmonds of St Kitts and Nevis, Montserrat's Chief Minister John Osborne as well as senior ministers of both Grenada and St Lucia.

ST LUCIA

POPE JOHN PAUL II LEAVES CASTRIES FOR ROME

PA080422 Paris AFP in Spanish 0350 GMT 8 Jul 86

[Excerpts] Castries, 8 Jul (AFP) -- Pope John Paul II left Saint Lucia on Monday 2305 local time (0505 GMT on Tuesday) for Rome following a 7-hour visit in this Caribbean island.

Prime Minister John Compton delivered a final message to the sovereign pontiff to thank him for the visit that shows that "no state is too small and no country too far for his holiness." He said this before giving a rocking chair to the pope as a present.

TRINIDAD-TOBAGO

ECONOMIC RELATIONS, PROJECTS DISCUSSED WITH PRC

FL071830 Bridgetown CANA in English 1541 GMT 7 Jul 86

[Text] Port-of-Spain, Trinidad, July 7, CANA -- China and Trinidad and Tobago are discussing a joint venture project in which material will be produced here for export to North America, according to China's Vice Foreign Minister Zhu Qizhen.

He made the disclosure at a luncheon hosted by the south Trinidad Chamber of Industry and Commerce, but gave no other details. Qizhen left here yesterday at the end of a two and a half day goodwill visit. He indicated to the south Trinidad business the geographical distance between China and Trinidad and Tobago was a handicap to deepening bilateral relations, but said China would study these problems. China attaches importance to developing economic relations with Latin America and the Caribbean region, said Qizhen. China is a large country richly endowed with natural resources with a big population. Therefore, it is a huge market.

Chamber President Hedwidge Bereaux, in a speech at the luncheon, said China could use local expertise in oil production. We understand that China has now moved into the area of oil exploration, he said.

We feel that our experience and expertise of our drilling and well servicing companies could well be an area where we, as small as we are, would be able to make some definite contribution to the development of such a large and vibrant country as yours.

Qizhen visited the government's major industrial complex, Point Lisas, and had meetings with representatives of the business and manufacturing sectors and government.

Prime Minister George Chambers last year visited China during a trade and investment tour of Europe and the Far East.

FBIS

DAILY REPORT

CONTENTS

Latin America

Vol VI No 131 9 July 1986

ARGENTINA

New Fishing Agreement Signed With USSR 2 July B 1
Bomb Explosions in Buenos Aires 3 July B 1
  Catholic Action Offices Bombed B 1
  House, Church Attacked B 1
Bomb Explodes in Front of Mar del Plata School B 2
National Teacher Strike Held 2-5 July B 2
Alfonsin Swears in Public Works Minister B 3
Falklands Penguins Not Killed by Radioactivity B 3
Briefs: Police Chiefs Assume Office; First Quarter GDP B 3

BOLIVIA

Navy Commander Resigns, Successor Sworn In C 1
Santa Cruz Prefect Intervenes at YPFB Facilities C 1
Lechin Rejects Government Salary Increase C 2

BRAZIL

Police Concerned Over DEA Expansion Project D 1

CHILE

Law of the Sea To Clarify U.S. Observations E 1
Regime Formally Protests FRG Official's Remarks E 1
Bomb Explodes Behind Carabineros Central Station E 1
Government Announces Capture of Four Terrorists E 1
ANC Coordinator on Charges Against Leaders E 2
Gen Danus' Response to Civic Assembly Viewed E 2
  Valdes on Answer E 3
Merino Discusses Military-Opposition Dialogue E 3

PARAGUAY

Senators Protest Laino's Beating, Radio Jamming H 1
  [HOY 4 Jul]
Reaction Noted on Treatment of Charitas Director H 2
  [HOY 4, 5, 6, Jul]

PERU

Garcia: Cabinet Reshuffle 'Before 28 July' J 1
Soviet Embassy Attacked; Shining Path Implicated J 1
Police Say Army Officers Involved in Massacre J 2
Shining Path Kills Former Puno APRA Leader J 3
APRA Official Killed in Ayacucho Department J 4
Shining Path Instigates Peasant Invasions J 4

URUGUAY

- Foreign Minister Criticizes U.S. Aid to Contras K 1
- Military Begins 'Very Important' Reduction K 1

MEXICO

- Reportage on Visit by Guatemala's Cerezo M 1
  - De la Madrid Supports Contadora M 1
  - Cerezo: 'Less Rhetoric, More Action' M 2
  - Joint Communique Issued M 3
  - Cerezo Leaves 6 July M 4
- PRC Vice Foreign Minister Arrives for Visit M 5
- PAN Demands Nullification of Chihuahua Elelctions M 5
- $959.7 Million Trade Balance Noted Through May M 5
- Non-Oil Exports Earn $16 Million Through June M 6
- PEMEX Chief Favors Reduced Production M 6
  [EL NACIONAL 2 Jul]

PANAMA

- Noriega Addresses Rally of Transport Workers N 1
  - Support for Delvalle N 1
  - Views Demonstrations N 1
- Noriega Discusses Spadafora, Charges from U.S. N 2
  [EL SIGLO 3 Jul]
- More Access Sought in Canal Management, Finances N 4
  [STAR AND HERALD 8 Jul]
  - Surplus Canal Funds Requested N 5

CENTRAL AMERICA

COSTA RICA

- Arias Predicts 'Difficult Times' for Country P 1
  [LA NACION 2 Jul]
- Arias Discusses Relations With Dictatorships P 1

EL SALVADOR

- PDC Meetings With Opposition 'Resounding Failure' P 2

HONDURAS

- Rosenthal on U.S. Envoy Policies, Contra Aid P 3
- Further on Vega Expulsion From Nicaragua P 4
  - Bishop Recounts Deportation P 4
  - Vega on Sandinist Regime P 5

NICARAGUA

- Ortega Says Remarks Prove Reagan 'Mad' P 6
- Government Rejects Opposition Mediation Offer P 7
  - Nunez Comments [ACAN] P 7
  - Rivas Leiva Responds [ACAN] P 8
- Bishops' Letter Views Problems With Regime [ACAN] P 8

CUBA

Malmierca Reiterates Stand on Troops in Angola Q 1
Press Cooperation Agreement Reached With PRC Q 1
Ethiopian Party Delegation Departs 7 July Q 1

CARIBBEAN

ACP Exports Up; Caribbean Share Still Small S 1

JAMAICA

Prime Minister Predicts Close Election Contest S 1

TRINIDAD-TOBAGO

PRC Vice Foreign Minister Invites Increased Trade S 2

SURINAME

Government Expels Netherlands Diplomat U 1
Punwasi Concerned About Arrests of Journalists U 1

NEW FISHING AGREEMENT SIGNED WITH USSR 2 JULY

PY031958 Buenos Aires TELAM in Spanish 1842 GMT 2 Jul 86

[Text] Buenos Aires, 2 Jul (TELAM) -- Argentina and the Soviet Union today signed an agreement on fishing at the Economy Ministry Fishing Undersecretariat. This agreement will serve as a prototype for other similar agreements to be signed with Poland, Bulgaria, Japan, and the EEC in the next few weeks.

The main objective of the agreement is to repect the principles of preservation of fish, thus preventing the risk of overfishing. Members of the Fishing Undersecretariat, of the Foreign Ministry, a representative of businessmen, and another of the unions participated in compiling the agreement.

The agreement also establishes that Soviet fishing boats will use Argentine ports and all their goods and services, including fuel and repair work through Argentine companies. Ten percent of the crews will be Argentine citizens, and the operation will increase technological exchange.

BOMB EXPLOSIONS IN BUENOS AIRES 3 JULY

Catholic Action Offices Bombed

PY031220 Buenos Aires TELAM in Spanish 0440 GMT 3 Jul 86

[Text] Buenos Aires, 3 Jul (TELAM) -- A medium-sized bomb exploded early this morning in front of one of the Catholic Action offices located in the northern suburbs of this capital.

The explosion caused damage, but there were no casualties.

The Central Department of the Federal Police told TELAM that the explosion occurred at 0050 at the office located at 1,931 Paraguay St and that the 7th Precinct is in charge of the investigation.

House, Church Attacked

PY051822 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2330 GMT 4 Jul 86

[Excerpt] Buenos Aires, 4 Jul (NA) -- Two bombs went off between 2300 yesterday and dawn today. One exploded in front of a businessman's house in the Belgrano neighborhood, causing material damage but no casualties.

The first incident occurred at 2315 when a powerful bomb was planted in front of 2121 Olleros Street. According to a police source, this explosion practically destroyed the facade of the house, which reportedly belongs to a businessman, and two cars that were parked nearby.

The shock wave shattered the windows of neighboring buildings, completely destroyed some window frames, and seriously damaged the facades of some surrounding buildings.

Members of police station No 31 and the bomb squad arrived on the scene immediately and started the necessary investagations. A police guard has been placed in front of the destroyed house.

In the meantime, police sources have asserted that Judge Luis Velasco is investigating the case, which has been filed under the category of "public intimidation and damages."

The other bombing occurred at 0100 this morning in front of an Evangelic Church in the Chacarita neighborhood, with similar results as the first attack.

BOMB EXPLODES IN FRONT OF MAR DEL PLATA SCHOOL

PY070027 Buenos Aires TELAM in Spanish 1159 GMT 6 Jul 86

[Excerpt] Mar del Plata, 6 Jul (TELAM) -- A powerful bomb exploded last night at 2200 at the front door of the Jose Manuel Estrada School on Salta Street, between Quintana and Matheu Streets, in Mar del Plata. The bomb did not injure anyone or cause any damage to the shcool, which is located next to the San Jose Church.

Juan Domingo Arriondo, a youth who lives and works in the school, has said he saw and tried to catch the person who placed the bomb, a young man wearing a suede jacket who was able to escape in a Citroen.

The school principal, Father Enzo Guistozzi, was dining on the second floor at the time of the explosion. He said he does not know the reason behind the bombing. He stated that this is the work of people seeking to destabilize the situation, of people fishing in troubled waters.

Guistozzi, who is chairman of the Permanent Human Rights Assembly of Mar del Plata, believes the attack is not connected with human rights or with the march the Buenos Aires Archbishopric staged yesterday in Buenos Aires for the defense of the family. The priest said that no appeals in this regard were issued from the school. [passage ommitted]

NATIONAL TEACHER STRIKE HELD 2-5 JULY

PY021320 Buenos Aires TELAM in Spanish 1117 GMT 2 Jul 86

[Text] Buenos Aires, 2 Jul (TELAM) -- A 72-hour national stoppage, called by the Confederation of Education Workers of the Argentine Republic (CTERA) to protest the salary readjustment established by the government for this sector, began today.

The stoppage includes a demonstration scheduled for 1600, during which the teachers will march from their association's offices, at 2009 Rivadavia Street in this capital, up to Government House and the nation's congress, in order to demand a bigger budget for the education sector.

ALFONSIN SWEARS IN PUBLIC WORKS MINISTER

PY090137 Buenos Aires TELAM in Spanish 2139 GMT 8 Jul 86

[Text] Buenos Aires, 8 Jul (TELAM) -- During a ceremony this afternoon at the White Hall of Government House, President Raul Alfonsin administered the customary oath of office to the newly appointed Public Works and Services Minister Pedro Augusto Trucco.

Also sworn in were Coordinating Under Secretary Jorge Presman, Public Works Under Secretary Jose Pedregal, Transportation Under Secretary Horacio Diaz Hermelo, Communications Under Secretary Juan Cinminario, and Merchant Marine Under Secretary Pedro Jose Casado Bianco.

The president also swore in the Defense Production Secretary Rainani Barbagna.

FALKLANDS PENGUINS NOT KILLED BY RADIOACTIVITY

PY031723 Buenos Aires TELAM in Spanish 0255 GMT 3 Jul 86

[Text] Buenos Aires, 2 Jul (TELAM) -- The National Atomic Energy Commission (CNEA) has ruled out the possibility that some 300 penguins may have died 25 km from Puerto Deseado because of radioactive contamination coming from ships carrying nuclear weapons that were sunk near the Malvinas islands.

In a communique released this evening, the CNEA said: Had the sunken ships carried nuclear weapons, and had the containers of radioactive material broken, the concentration of radioactive material in the sea water would have been so low that it would have posed no risk to any species. In no way could such a low concentration cause the death of penguins, the communique concluded.

BRIEFS

POLICE CHIEFS ASSUME OFFICE -- The new chief and deputy chief of the Buenos Aires Police, Commissioners Bronislao Rogosz and Abel Oscar Bracken, respectively, assumed their posts today. The new police chief said he will continue the policy of his predecessor. [Summary] [Buenos Aires Domestic Service in Spanish 1600 GMT 1 Jul 86 PY]

FIRST QUARTER GDP -- Buenos Aires, 1 Jul (NA) -- The GDP grew 0.4 percent during this year's first quarter, compared with the same period last year. The industrial GDP increased 5.7 percent while the agricultural GDP decreased 8.4 percent. [Excerpt] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 2213 GMT 1 Jul 86 PY]

NAVY COMMANDER RESIGNS, SUCCESSOR SWORN IN

PY081540 La Paz La Red Panamericana in Spanish 1130 GMT 8 Jul 86

[Excerpts] During a ceremony at Government Palace, President Victor Paz Estenssoro installed Rear Admiral Douglas Estremadoiro as the new Navy commander in chief. Estremadoiro replaces Rear Admiral Jose Antonio Ona Costas, who resigned after he was charged with allegedly committing irregularities in the Navy. [passage omitted]

In a conversation with the press after the ceremony, the new commander praised his predecessor, who tendered his resignation to allow an investigation into the charges leveled against him. [passage omitted]

[Begin recording] [passage omitted] [Reporter] Is the situation within the Navy absolutely normal? Does the Navy respect the Constitution?

[Estremadoiro] The situation is absolutely normal, and it will continue to be so. We believe the best thing we can do to help solve this crisis and to help the Bolivian people is to abide by military regulations and the Constitution.

[Reporter] What are your immediate plans for the Navy?

[Estremadoiro] I believe it is a bit early to talk about specific plans. We will work to promote effectiveness and improve performance. We will establish strict rules based on discipline and justice. [end recording]

SANTA CRUZ PREFECT INTERVENES AT YPFB FACILITIES

PY090028 La Paz La Red Panamericana in Spanish 1700 GMT 8 Jul 86

[Text] Santa Cruz prefect [Julio Prado Salmon] a few minutes ago ordered strong measures to preserve peace in that district.

In view of the attitude of the Santa Cruz oilworkers, who left drivers without fuel, the prefect ordered the military and police to intervene at the YPFB [Bolivian Government Oil Deposits] facilities, warning that the national government is not willing to allow chaos and anarchy to spread throughout the country again because of the radical stands of some trade union organizations.

Here is a report by the Radio Panamericana correspondent in Santa Cruz de la Sierra.

[Begin relay] Radio Panamericana is now reporting from Santa Cruz.

During a news conference, the Santa Cruz prefect announced a few minutes ago that in view of a decision by YPFB workers to suspend their activities in Santa Cruz, he has ordered the military and police to intervene at all YPFB facilities, both in Palma Sola and in Centro district.

In fact, oilworkers in Santa Cruz district have stopped pumping hydrocarbons to Chuquisaca and Tarija districts. The prefect said this action will not be permitted, bearing in mind that the government has all the state mechanisms to enforce the law.

Asked the reasons for this intervention, the Santa Cruz prefect said that there is a national agreement, which is to be reviewed on 31 July, and that the government will not permit these actions because they basically go against the people.

Afterward, the Santa Cruz prefect was asked about the intervention at the offices of the Santa Cruz peasant leaders.

The prefect said that as long as the differences are not ironed out, the police forces will continue guarding those offices.

This was a Radio Panamericana report from Santa Cruz. [end relay]

So far, the gasoline supply at gas stations has not returned to normal in Santa Cruz. It is expected that it will return to normal this afternoon as a result of the military and police intervention in Palma Sola.

LECHIN REJECTS GOVERNMENT SALARY INCREASE

PY050228 La Paz La Red Panamericana in Spanish 1700 GMT 4 Jul 86

[Text] Bolivian Labor Confederation Secretary General Juan Lechin Oquendo has made statements to the media about an important subject: the recent 33-percent salary increase granted by the government to the National Treasury employees. Juan Lechin expressed his rejection of the increase, which he qualified as not only minimal but ridiculous. He expressed doubt about the ministers' affirmation that the salary increase will not generate price increases, recalling that the government's economic policy is neoliberal, so prices will be subject to speculation.

[Begin Lechin recording, in progress] ...the salary increase granted to the workers is ridiculous.

The finance and information ministers have happily announced that the salary increase will not provoke inflation. They believe in neoliberal economic theory, upheld by the Friedman couple, who have stated that salary increases do not provoke inflation.

What happens in Bolivia? Prices have increased since last week, and this is known by the Bolivian people who apply their scarce income to [words indistinct] to be able to buy food. Naturally these two ministers are unacquainted with this reality. They live in another world. This is why they happily but unmercifully maintain that prices will not increase. Who are they to say so whether their policy favors freedom of commerce?

They cannot even oppose a speculative salary increase. [end recording]

POLICE CONCERNED OVER DEA EXPANSION PROJECT

PY082344 Madrid EFE in Spanish 0938 GMT 8 Jul 86

[By Adalid Cabrera Lemuz]

[Text] Rio de Janeiro, 8 Jul (EFE) -- The U.S. Drug Enforcement Agency (DEA), charged with fighting drug trafficking, has decided to increase its antidrug control and investigation operations to prevent Brazil from serving as a transit point for drugs to the U.S. and European markets.

The DEA operates with a group of six special agents based at the U.S. Embassy in Brasilia and a broad network of informers, but it has decided to increase its personnel in Sao Paulo and Rio de Janeiro, natural centers for the supply and trafficking of cocaine and marijuana in Brazil.

This decision has caused concern among Brazilian Federal Police authorities, who fear that the DEA may take over the struggle against drug trafficking in Brazil, surpassing the Brazilian law enforcement agencies.

Up to now the DEA's mission in Brasilia was to exchange information on drug trafficking with the Brazilian Federal Police so that the latter could implement the enforcement programs.

Brazilian Deputy Marcio Santilli of the congressional Foreign Affairs Committee said the authorization to increase DEA personnel in Sao Paulo and Rio de Janeiro will mean "allowing a foreign police to act in our country."

The DEA decision has also been questioned in other diplomatic circles, because it could set precedents for other U.S. organizations, such as the Federal Bureau of Investigation (FBI) and the Central Intelligence Agency (CIA) to establish their own offices in Brazil.

DEA Chief in Brazil John Hughes justified his plan by stating that it does not entail expanding operations but merely having a broader area of observation over drug-trafficking activities, because Sao Paulo and Rio de Janiero have become centers of drug trafficking and consumption.

Currently Brazil is used as a transit point for the trafficking of cocaine from Bolivia bound for Europe and the United States, and traffickers involved in this illegal activity are frequently apprehended at local airports.

The Brazilian Federal Police have established strict control and security systems designed to prevent the shipment of cocaine to the United States under the supervision of the DEA.

Another issue which concerns the law enforcement agencies is the increasing internal trafficking of cocaine, which enters Brazil by land or in small aircraft that land on clandestine landing strips in the Amazon area. This makes control difficult. According to police reports, the powerful drug trafficking rings in the Rio de Janeiro area have created well-organized and widespread networks to sell cocaine. This has generated a wave of crimes and violence in Rio de Janeiro and Sao Paulo.

LAW OF THE SEA TO CLARIFY U.S. OBSERVATIONS

PY031553 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 3 Jul 86

[Text] A Foreign Ministry source has said the U.S. observations on the Chilean decision to extend its sovereignty over the continental shelf around Easter Island and Salay Gomez Island to 350 miles are a technical and legal issue that cannot be solved on a bilateral basis. The source added that the subject will be expeditiously clarified after the Law of the Sea Convention comes in force, that is, after at least 60 of the states that have signed the Convention ratify it. It should be recalled that the United States has not signed the Convention.

REGIME FORMALLY PROTESTS FRG OFFICIAL'S REMARKS

PY081632 Madrid EFE in Spanish 1506 GMT 8 Jul 86

[Excerpt] Santiago, 8 Jul (EFE) -- The Chilean Government of General Augusto Pinochet has formally protested to the FRG Government the declaration made recently by FRG Minister of State at the Foreign Ministry Juergen Moellemann.

According to high-placed sources in the Chilean Foreign Ministry, the protest is based on the "gratuitous offenses made against the Chilean president and Govenment."

Moellemann criticized the Chilean regime for its repression during the first national stoppage, and he also asked Pinochet to resign from the presidency of his country.

The Chilean Government protest note states that Moellemann's offense is also "an insult to all moderate Chilean sectors that are dedicated to a peaceful and orderly transition to a solid and stable democracy." [passage omitted]

BOMB EXPLODES BEHIND CARABINEROS CENTRAL STATION

PY080338 Paris AFP in Spanish 0310 GMT 8 Jul 86

[Excerpt] Santiago, 7 Jul (AFP) -- Police sources have reported that a Chilean subversive group exploded a bomb tonight only 50 meters behind the central station of the Carabineros. There were no casualties.

The explosion only caused damage to the windows of some residences and alarm among the neighbors. [passage omitted]

GOVERNMENT ANNOUNCES CAPTURE OF FOUR TERRORISTS

PY082026 Madrid EFE in Spanish 0331 GMT 8 Jul 86

[Text] Santiago, 7 Jul (EFE) -- The government's Social Communications Directorate, Dinacos, disclosed today that four "presumed terrorists from the Communist Party" were arrested on 2 July.

In a communique releasted today, Dinacos has identified them as Julio Carreno Piedra, Leonardo Torres Gomez, Jose Marchant Lopez, and Mauricio Mansilla Alvarado. These people have been turned over to the Military Procecutor's Office in Santiago on charges of violating the weapons control law.

ANC COORDINATOR ON CHARGES AGAINST LEADERS

PY082133 Santiago Radio Chilena in Spanish 2300 GMT 7 Jul 86

[Excerpt] The Interior Ministry has made more charges against leaders of the National Civic Assembly [ANC]. Those charged now include Osvaldo Verdugo, ANC acting coordinator and chairman of the Chilean Association of Teachers. According to Interior Ministry lawyer Ambrosio Rodriguez, the measure was taken after repeated calls for the suspension of activities.

The case is being tried by Judge German Valenzuela Erazo, who has rejected a request by lawyer Jose Galiano that he disqualify himself from the case.

Asked about the government measures, ANC coordinator Osvaldo Verdugo told Primera Plana:

[Begin Verdugo recording] We are very calm, as are the others who have already been charged. We have publicly said that the Chile Demands document is an expression of the will of the entire Chilean people, that we have acted openly, that our acts as leaders have been totally democratic, and that we have been elected by our rank-and-file members. We represent what the social organizations participating in the ANC stand for, and therefore, we are totally faithful to it. In view of this unfair, arbitrary measure, we -- like the rest of the 17 defendants -- will appear before the court, because we are public personalities, we are not fugitives or criminals. All of our actions have been conducted under the light of the Chilean public opinion. [end recording] [passage omited]

GEN DANUS' RESPONSE TO CIVIC ASSEMBLY VIEWED

PY081612 Madrid EFE in Spanish 2059 GMT 7 Jul 86

[By Luis S. Saavedra]

[Excerpts] Santiago, 7 Jul (EFE) -- The Chilean opposition today commented favorably on the gesture of a high-ranking Chilean officer who responded, although negatively, to the Civic Assembly's petitions.

Major General Luis Danus, intendant of Magallanes and chief of the Chilean Southern Military Zone, in writing and signed by himself, answered the "demands" sent to him by the Civic Assembly branch of that southern area, located 2,500 km south of Santiago.

Gen Danus' declaration was cited today by prominent opposition leaders as a "positive attitude of trying to make an effort to understand the political feeling of the democratic opposition."

The high-ranking officer also urged the "violent and nonviolent opposition" to "voice their proposals," especially regarding the future of the right to property, the economy, and education.

Major Gen Danus believes "it is contradictory to request democracy when at the same time intimidating and violent methods are used against the opinion of thousands of people who wish to study and work."

Jorge Molina, under secretary general of the Chilean Socialist Party, has commented that what Gen Danus stated "is of great interest." Molina added that he is willing to meet with the general "to discuss the subjects that trouble him."

Molina added that "the socialists reject violence and terrorism, and we know that it is not generated by us nor by any of the sectors that form part of the Civic Assembly."

"We, socialists," added Molina, "do not seek the military defeat of the Armed Forces, nor the ousting of the government through force, but a political outcome, that is, talks and negotiations."

Molina said that "we respect all forms of private, public, mixed, and cooperative [autogestinaria] property, and want the economy, politics, and culture of Chilean society to be subject to the human being and not the other way around." [passage omitted]

Moreover, the opposition sector of the media noted today that Gen Danus' answer "represents a recognition of the true and unavoidable existance of the Civic Assembly."

The opposition sector of the media added that "everything is fine when dialogue and respect exist," as has been proven in Magallanes, where a "great part of the citizenry observed the stoppage without any incidents."

Valdes on Answer

PY082110 Madrid EFE in Spanish 1255 GMT 8 Jul 86

[Excerpts] Santiago, 8 Jul (EFE) -- Chilean Christian Democratic Party President Gabriel Valdes today said he is willing to hold talks with the military "wherever and whenever they consider convenient."

The former foreign minister made these comments in response to a warning issued by Major General Danus, Magallanes mayor and chief of the country's southernmost military zone. [passage omitted]

The Christian Democratic leader deemed Gen Luis Danus answer "very positive" and said "he questions topics of undoubtable interest and we are in a position to answer them fully."

He added that he also had "important questions" to ask Gen Danus.

"We have always said," Valdes added, "that the Chilean crisis will be solved through a dialogue between the Armed Forces and democratic civilians. We are ready for this dialogue at the time and place they consider convenient."

MERINO DISCUSSES MILITARY-OPPOSITION DIALOGUE

PY090209 Santiago Radio Chilena in Spanish 2300 GMT 8 Jul 86

[Text] Admiral Jose Toribio Merino Castro has stated that any kind of dialogue is positive as long as it is held with people who have clear mentality and are willing to live in peace and tranquillity in the country.

Admiral Merino made this statement after resuming his activities in the legislative assembly from which he was absent for 1 month because of a case of acute gastroenteritis. Merino talked with the press on various national issues.

[Begin recording] [Reporter] Admiral, what is the position of the Navy on the comments made by General Danus?

[Merino] I am not aware of Danus' statements.

[Reporter] Danus called on the opposition to define its position about the economic system for 1989.

[Merino] This is a surprise to me because the Army sponsored the system of controlled free enterprise. Therefore any other system does not go along with our thinking.

[Reporter] Do you believe that a dialogue between the Armed Forces and the dissident sectors is positive?

[Marino] Of course. Any kind of dialogue is positive as long as the dialogue is held with people who have a clean and clear mentality and are willing to live in peace and tranquillity in the country.

[Reporter] Admiral, how do you evaluate the strike sponsored by the Civic Assembly?

[Merino] I absolutely reject all of the barbaric actions and the killing of people. [end recording]

Adm Merino was also asked about the White House's condemnation of the death of Rodrigo Rojas de Negri, who died on 6 July from the serious burns intentionally inflicted by third persons.

[Begin Merino recording] Mr [name indistinct] is probably trying to improve his position in the face of what he said in the past. He is now being good because we were doing things properly and the others are doing it wrong. I do not want to make any further comments on this issue. I already clearly said the other day that any interference in the national affairs is unacceptable because we are a sovereign country with the right and authority to do what we wat in the country in accordance with the laws and the Constitution.

[Reporter] [Words indistinct] do you reject the statements by the FRG under secretary of foreign affairs [title as heard], who said that the president should resign?

[Merino] That German, I do not know his name, is a stubborn man. I am not interested in what he said. Thank you. [end recording]

SENATORS PROTEST LAINO'S BEATING, RADIO JAMMING

PY080217 Asuncion HOY in Spanish 4 Jul 86 p 6

[Text] Minority senators last night condemned the events related to the political exile of Domingo Laino, "who was brutally stopped in his fifth attempt to return to our country:" the unending jamming being experienced by Radio Nanduti; and the expulsion of Radio Charitas director Father Javier Arancon from Paraguay. The protest was not joined by the ruling-party senators, some of whom limited themselves to discussing procedural matters. Before and after criticizing the events, Radical Liberal Party [PLR] Senator Luis Vega held heated discussions with Colorado Party senator Ezequiel Gonzalez Alsina, who tried to prevent the opposition senator from speaking by claiming that the agenda was ambiguous. Vega angrily protested, stating: "Not only are radios being jammed but so are the Senate's session." Gonzalez Alsina asked: "Are or are we not discussing an item on the agenda?"

Vega regretted that "once again the national Constitution is being trampled on by a regime that evidently is not inclined to democratize the country." Vega recalled that a week ago Authentic Radical Liberal Party [PLRA] leader Domingo Laino was not allowed to enter the country. Vega said: "We are grudgingly giving freedom to the Paraguayan people and to the press. Everything is being restricted and systematic harassment, which is the regime's basic foundation, is being practiced."

Referring to the Radio Charitas director, Vega said that "foreign citizens are being deprived of their documents and abandoned on the borders. This has not been authorized by any immigration law."

Vega added: "This is not all that has happened. Foreign citizens who arrived in the country accompanying Laino suffered harassment. The beating of some foreign citizens speaks of the poor image of this regime, which is not made up of Paraguayans. We protest and repudiate these events."

Liberal Party [PL] Senator Joaquin Burgos also condemned the events mentioned by Vega, stating that "the attacks on foreigners truly expose the regime, whose savagery has surpassed the limit of abuse." In conclusion, Burgos expressed solidarity with Father Arancon, Domingo Laino and his entourage, and Radio Nanduti for the unending jamming it is experiencing.

After the minority complaints ended, PLR Senator Enzo Doldan wanted to refer to a petition for constitutional approval but was interrupted by Gonzalez Alsina, who said "It was not to be discussed yet." Senate President Dr Juan Ramon Chavez, however, said it was time indeed. Gonzalez Alsina shouted at the top of his voice: "They are complaining about abuses and this is an abuse." Vega angrily replied: "No. The agenda has never been ignored." The uproar lasted almost a minute and was then interrupted by the Senate president with loud rings. In conclusion, when everyone was expecting a ruling-party response to the criticism, the discussion diverted the plenary session's attention, and everything concluded with general laughter.

Afterward, in a closed-door session, the Senate approved the appointment of Colorado Deputy Salvador Ruben Paredes as Paraguayan ambassador to Brazil.

REACTION NOTED ON TREATMENT OF CHARITAS DIRECTOR

PY082000 [Editorial report] Asuncion HOY in Spanish has published several reports on the reactions that followed the decision by the Paraguayan Government to prevent Father Javier Arancon, the director of Radio Charitas, from returning to Paraguay.

In a 300-word report published on page 11 on 4 July, the newspaper carried excerpts of a communique issued by the Franciscan Order. According to the report, the Franciscan Order believes that the decision is "totally unfair, arbitrary, inappropriate, and inconvenient" and that "peace and justice cannot be built upon repression and violence."

In the same report, the newspaper quoted the national secular team of the Paraguayan Episcopal Conference as stating that the measure is "totally unfair, unconstitutional, and against the Gospel."

On 5 July, the newspaper carried on page 12 a 200-word report quoting Education Minister Carlos Ortiz Ramirez as saying that the incident has "in no way" affected relations between the government and the church, and that "on the contrary, we are in permanent contact." The minister was also quoted as saying "there is no confrontation between the government and the church."

A 200-word report published on 6 July on page 14 carried excerpts of a statement issued by the University Reorganization Movement, MRU. According to the report, the MRU repudiated "this new blow against freedom and democracy." In a 300-word report published on the same page, the newspaper carried excerpts of a statement issued by the Asuncion Archbishopric in which the government measure is referred to as "unfair and arbitrary." According to the newspaper, in its statement the Archbishopric "deplored this type of measure against foreign priests, who are unconstitutionally denied entry to the country."

GARCIA: CABINET RESHUFFLE 'BEFORE 28 JULY'

PA081401 Lima Panamericana Television Network in Spanish 1208 GMT 8 Jul 86

[Text] There will be a redistribution of cabinet posts before 28 July. While reiterating his full support for and confidence in the ministers in [Prime Minister Luis] Alva Castro's cabinet, President Alan Garcia announced there will be several changes, but failed to indicate in which ministries. He reported, however, that the cabinet will not resign.

[Begin recording] [Reporter] Has [resigned Justice Minister] Dr Gonzalez Posada's replacement been chosen yet?

[Garcia] Not yet. We are consulting and examining this. The justice minister is the government's legal adviser. He is responsible for the prisons, relations with the church, and other things. That is why we have not appointed Dr Luis Gonzalez Posada's replacement yet.

[Reporter] Has Minister Gonzalez Posada's [words indistinct]?

[Garcia] Yes. The acceptance of his resignation has already been made public, stressing the nation's appreciation for his services and his work, including depenalization, which was an important step that has allowed us to resolve the problem of many thousands of people who were first-time offenders and who were affected very negatively by slow procedural work and the harshness of the former law.

My first concern as president was to resolve the problem of imprisoned children. There were hundreds of children in the prisons, with their mothers. Most of these cases have been resolved for humanitarian reasons, basically out of compassion, through the depenalization undertaken by Minister Gonzalez Posada.

We have accepted his resignation, deeply regretting his departure from the cabinet, while thanking him for his services to the nation.

[Reporter] [words indistinct] cabinet, Mr President?

[Garcia] There are rumors to that effect. Likewise, various political leaders are asking for the resignation of the cabinet. The cabinet will not resign, nor will I accept a resignation from the cabinet. I believe that once this situation is overcome through law and democracy, we must move on to consolidate the economic program we have set into motion. We need to consolidate the accomplishments that are being made in each field, including housing and health.

It is common and necessary that cabinets be strengthened and renewed after a certain period of time has elapsed. However, this is not related to the demands being made by various political sectors. I reaffirm my confidence in the cabinet and in its integrity. The changes that are necessary will be effected before 28 July, but this will not include the entire cabinet. [end recording]

SOVIET EMBASSY ATTACKED; SHINING PATH IMPLICATED

PY090112 Madrid EFE in Spanish 0002 GMT 9 Jul 86

[Text] Lima, 8 Jul (EFE) -- According to several telephone calls received by Lima news media, the attack against the Soviet Embassy in Lima was carried out today by members of the Maoist Shining Path group.

An anonymous caller stated that the attack was carried out by the Peruvian Communist Party against Alan Garcia's government. The caller concluded with cheers for the revolution, for the "People's Republic of the New Democracy" ["Republica Popular de Nueva Democracia"], and for President Gonzalo, the name by which Abimael Guzman is known. Guzman is the founder, ideologist, and top leader of the Shining Path.

It is not Shining Path's custom to speak to the press in order to claim responsibility for an attack.

Meanwhile, Deputy Interior Minister Agustin Mantilla has released more details about the attack on the Soviet Embassy, which is located in the Lima district of San Isidro. One attacker died during the assault.

Mantilla stated that the attacker died in the inner garden of the embassy, where he was not shot by a policeman. The explosive device that he was about to throw at the building exploded in his hands.

Mantilla also said that another member of the command was captured after a shootout with two members of the Women's Police Department. One policewoman was wounded.

The other attackers -- the deputy minister did not reveal how many -- fled in a car that was later found abandoned far from the embassy.

Mantilla reported that weapons and explosives were found in the car.

Meanwhile, some eyewitnesses have indicated that they saw four men and a woman dressed in sports clothes and wearing dark glasses carrying out the attack, and that in addition to the device that killed the attacker who got into the embassy, another bomb exploded about 10 meters from the embassy's door.

POLICE SAY ARMY OFFICERS INVOLVED IN MASSACRE

PY081559 Madrid EFE in Spanish 0106 GMT 8 Jul 86

[Text] Lima, 7 Jul (EFE) -- Deputy Victor Garcia Belaunde today said that some high-ranking Army officers participated in the killing of prisoners charged with terrorism in Lima's Lurigancho Prison.

Garcia Belaunde explained that the charge was leveled in the report that the Republican Guard submitted to the Congressional Standing Committee, which is analyzing several reports on the execution of more than 100 prison inates who had surrendered.

Peruvian President Alan Garcia has charged that Republican Guardsmen killed the prisoners and stressed that any high-ranking officer involved in the massacre will be dismissed and strictly punished.

Garcia Belaunde belongs to the Popular Action Party, which was in power between 1980 and 1985. He is a member of the Congressional Standing Committee, a body that operates while Congress is in recess.

The deputy added that the reports submitted by the Armed Forces Joint Command, which was responsible for the restoration of order in the three prisons, and by the Republican Guard "contain no major discrepancies" over the way the operation was performed. The reports were read at the committee session today.

Deputy Jorge Fernandez Maldonado of the United Left, the main opposition party, has said that the reports reveal that "the excesses were committed by the Republician Guard." He added that the government is "fully responsible" for the massacre, because it ordered the Armed Forces to overcome the riots, which could have been solved by the police.

Ruling APRA [American Popular Revolutionary Alliance] member Luis Negreiros, president of the Chamber of Deputies, has said that today's closed-door session was dedicated to hearing the reports and that the debate will begin after the committee hears the attorney general's report on 8 July.

Negreiros said that the committee will decide what to do and whether an investigative commission will be designated.

SHINING PATH KILLS FORMER PUNO APRA LEADER

PY082214 Madrid EFE in Spanish 1537 GMT 8 Jul 86

[Text] Lima, 8 Jul (EFE) -- It was reported today that alleged terrorists in the city of Puno killed Elias Coasacha, a professor and dean of the Agronomy Faculty of the University of the Altiplano.

The alleged members of the Maoist Shining Path killed Coasacha, a former APRA (American Popular Revolutionary Alliance) leader at his own house, shooting him several times in the chest.

The crime occurred yesterday at 0700 (1200 GMT), the day after a bomb attack at the house of APRA leader Juan Sanchez, in which no victims were reported. These two attacks occurred in Puno, the capital of Puno Department, on the Bolivian border.

A number of APRA leaders have been killed or injured in the past few days in several attacks attributed to the Shining Path organization, which never claims responsibility for its actions.

On 1 July, Justice of Peace Enrique Vargas, a former APRA member from the town of Santa Rosa, Ayacucho department, was stabbed by two youths, aged 13 and 14. The youths stabbed Vargas 17 times and escaped with a revolver owned by the judge, who had received death threats.

On 4 July Abel Bonett, the APRA secretary in Huancayo, was shot dead in the city of Huancayo, 415 km southeast of Lima, as he was entering his office.

Also on 4 July, Aquiles Hermosa, the APRA secretary general in Puno, was shot and wounded. On President Alan Garcia's orders, he was taken to Lima to be treated.

Alleged Shining Path terrorists in Lima on 2 July killed civil guard (rural police) Alfonso Diaz, and non-commissioned officer Juan Asto Alanya on 3 July.

APRA OFFICIAL KILLED IN AYACUCHO DEPARTMENT

PY090146 Madrid EFE in Spanish 2144 GMT 8 Jul 86

[Text] Ayacucho, Peru, 8 Jul (EFE) -- Victor Gamboa Medina, the governor and justice of peace of the town of Huayllan, Vilcashuaman Province, was killed last night by Shining Path terrorists.

The terrorists, some 30 people, also killed Lister Gamboa, 16, the governor's son. The governor was a member of the ruling social democratic APRA [American Popular Revolutionary Alliance] Party.

The crimes were committed in the presence of the inhabitants of Huayllan, some 250 km north of Ayachucho.

After, the Shining Path terrorists placed red flags in the town and fled. The event was reported today in Ayacucho by Vilcashuaman Subprefect Alberto Rivero.

SHINING PATH INSTIGATES PEASANT INVASIONS

PY090005 Paris AFP in Spanish 1110 GMT 8 Jul 86

[Text] Punio, Peru, 8 Jul (AFP) -- The Peruvian police today reported that thousands of peasants, who were fooled by Shining Path terrorists, last weekend invaded several agrarian enterprises located in northern Puno Department, on the Bolivian border.

According to the report, some 4,000 peasants on Saturday and Sunday invaded 48 enterprises created under the land-reform program because Shining Path members circulated a rumor that President Alan Garcia had ordered a redistribution of rural real estate.

Some 200 squatters were arrested by the police in Nunoa, 160 km north of Puno. Although most of them were freed yesterday, 70 were held in detention charged with instigating the invasion.

The Shining Path organization is conducting a strong recruitment campaign in Huancane Province north of Lake Titicaca, where it instigates the peasants to invade the associations created under the 1969 land reform program.

While visiting flooded areas in Puno, President Garcia said that the distribution to farmland there was fair because the peasant enterprises received property that formerly belonged to the large real estate owners while there are thousands of peasants without land or with very poor lands.

Floods in early 1986 aggravated the land situation in Puno. Some 300,000 peasants suffered huge losses of crops and cattle.

FOREIGN MINISTER CRITICIZES U.S. AID TO CONTRAS

PY090326 Madrid EFE in Spanish 2139 GMT 8 Jul 86

[Text] Montevideo, 8 Jul (EFE) -- Uruguayan Foreign Minister Enrique Iglesias today said U.S. aid for the Nicaraguan rebels is "a new obstacle to peace" in Central America, where "tensions have increased recently."

The Uruguayan foreign minister said "the situation is critical" because the Contadora peace process "is making no progress." Uruguay, Argentina, Brazil, and Peru comprise the Contadora Support Group. The Contadora Group, which includes Colombia, Panama, Mexico, and Venezuela, has been trying to find a negotiated solution to the Central American crisis since January 1983.

Iglesias emphasized that "the only valid solution is a diplomatic solution based on the Caraballeda Declaration," a document drawn up on 12 January 1986 by the Contadora Support Group to achieve peace in Central America. The Caraballeda Declaratidon recommends, among other things, "the absence of aggressive actions, the absence of foreign troops or advisers, and the absence of support to subversive groups."

The U.S. Congress recently granted $100 million in aid to the contras, who are waging an armed struggle against the Nicaraguan Sandinist regime.

"A conflict would not only affect Central America but also the entire region," warned the Uruguayan foreign minister.

Iglesias added: "We are always in contact with the countries of the Contadora Group and the Contadora Support Group, and we look forward to the talks the Central American nations are conducting among themselves."

MILITARY BEGINS 'VERY IMPORTANT' REDUCTION

PY090142 Madrid EFE in Spanish 2154 GMT 8 Jul 86

[Text] Motnevideo, 8 Jul (EFE) -- Defense Minister Juan Vicente Chiarino today said Uruguay has started a "very important" reduction of its military forces, a reduction that will reach 20 percent in the Army.

According to the defense minister, the reduction wil also include the Navy and the Air Force, "but to a lesser degree."

Chiarino announced that "we are fulfilling the commitment to reduce the number of Armed Forces personnel." By late 1987, the Army, which is now estimated at 20,000 in a country of 2.9 million inhabitants, will be reduced "more than we had thought."

With the reduction, the number of personnel will be "similar to what it was before the civilian-military process, in the 1972-1973 period," Chiarino added. It is estimated that during the military government (1973-1985), personnel, including the Armed Forces, police, firemen, and others, totaled 60,000 people.

REPORTAGE ON VISIT BY GUATEMALA'S LEREZO

De la Madrid Supports Contadora

FL031540 Mexico City NOTIMEX in Spanish 0430 GMT 3 Jul 86

[Text] Mexico City, 2 Jul (NOTIMEX) -- Mexican President Miguel de la Madrid warned today that foreign plans to destabilize Central American political institutions constitute one of the errors that would deliberately lessen the chances for peace and end up as an error of historic dimensions..

At the dinner he gave for Guatemalan President Vinicio Cerezo Arevalo, at which he decorated the Guatemalan president with the Order of the Aztec Eagle, the chief executive warned that a mistaken decision of this magnitude would constitute an insult to the conscience of our peoples by ignoring the true suffering of the sister nations.

Miguel de la Madrid pointedly warned that Mexico is deeply convinced that democracy does not grant certificates of ideological purity and does not confer the right to intervene in the internal affairs of other states.

He also said that the Contadora Group's peace efforts belong to one of the best causes of the Latin American peoples. For this reason, he said, our countries have never tried to assume the prerogatives of others or tried to impose our protection on others.

He said that Guatemala and Mexico are located close to the region in conflict and that this fact imposes on their countries the need to pay permanent attention because of their legitimate security interests.

He said it is a great contradiction that bad habits of intolerance still exist that harm the political pluralism of international law and undermine the bases of regional order.

De la Madrid said that the Contadora initiative is within the rules of law accepted by the international community, postulating that diplomacy is irreplaceable for resolving controversies. He said it would be useless if the governments that are directly involved do not pledge their will to negotiate in the search for an effective, lasting peace.

He said he supports the creation of a Central American parliament, and added that Mexico supports the process of integration in that area.

Earlier, De la Madrid had spoken of economic matters, saying that the solution of such problems as the foreign debt and the worldwide recession do not automatically free countries from the problems that accompany all development. He urged the modification of international financial structures and the transformation of the unfair mechanisms that support the worldwide distribution of wealth.

He came out for economic cooperation between Guatemala and Mexico, not only within the framework of bilateral relations but also as a model of joint Latin American cooperation.

The chief executive acknowledged the need to use this opportunity to plan relations between Mexico and Guatemala and stressed his confidence that these relations will grow in an atmosphere of understanding and mutual benefit.

He spoke of making systematic the high-level meetings between the two countries and of encouraging a constant rapprochement at all levels of government, social sectors, and political groups.

The chief executive spoke of Benito Juarez, saying that the rights of the peoples cannot be violated forever because, sooner or later, the sovereignty of nations will win over a policy of force that does not recognize the norms or laws of civilizations as expressed in an authentic political dialogue.

Before he concluded his speech, the president of Mexico thanked Guatemala for its support during the days of anguish that followed the earthquakes of September 1985; he reiterated his will to intensify bilateral relations, encourage cooperation in all fields, and maintain dignity, friendship, and justice in both directions.

Marco Vinicio Cerezo Arevalo stressed the fact that Guatemala and Mexico want peace in Central America and that the two nations are not against anyone. What we demand, he said, is respect for national identity.

He reiterated his rejection of violence and of intervention in the peoples of Latin America, and especially in those of Central America. Hw spoke in support of what he called active neutrality to achieve permanent and solidary peace that all the Latin American people can enjoy.

Finally, he paid tribute to Don Benito Juarez, who above all advocated respect for the rights of others and the free self-determination of the peoples, saying that Guatemala is inspired by Juarez to defend its identity.

Cerezo: 'Less Rhetoric, More Action'

PA041956 Mexico Cith XHDF Television Network in Spanish 0300 GMT 4 Jul 86

[Text] As an immediate result of Guatemalan President Vinicio Cerezo's visit to our country, Mexican technicians will perform soil exploration in Guatemala in an attempt to find regions with mining potential. The following is a report by Jorge Rocha:

[Begin recording] Speaking before the Mexican Congress, Guatemalan President Marco Vinicio Gerezo said that history demands that the political leaders put aside all rhetoric and work on facts. he said that enough statements of solidarity have been made and that it is now time to express solidarity in practice and not only show friendship at political meetings or at parties. Cerezo said that he, as well as De la Madrid, have put rhetoric aside and in an action of active solidarity, they will show that Mexico and Guatemla are sister countries based on facts.

In his speech, President Cerezo also called on his country's guerrillas to analyze the will of the Guatemalan people who are tired of war and violence and who chose, at the voting centers, the path of peace and understanding.

This morning, President Cerezo met with members of the Mexican private sector. During the meeting, Claudio X. Gonzalez, president of the private sector coordinating board, said that Mexican businessmen are willing to increase the trade exchange between Guatemala and Mexico.

Meanwhile, today at noon First Lady Raquel Blandon de Cerezo visited Mexico City's historical center. Mrs Cerezo was surprised, as well as interested, in the ruins discovered in downtown Mexico City. [end recording]

Joint Communique Issued

FL050333 Mexico City NOTIMEX in Spanish 2100 GMT 4 Jul 86

[Text] Mexico City, 4 Jul (NOTIMEX) -- Mexican President Miguel de la Madrid and Guatemalan President Vinicio Cerezo said here today that the adjustment policies suggested to Latin American countries by international financial organizations could be inadequate and cause a recession.

They underscored that the solution to the crisis caused by the lack of specific measures aimed at dealing with the foreign debt problem will only be found by tailoring the debt service payments to the needs of economic growth of indebted countries in order to enable them to resume development. De la Madrid and Cerezo Arevalo expressed this in a joint communique issued after their second round of talks. They also requested the opening of international markets to goods and raw materials from developing countries, the end of protectionist measures, and in general, conditions which encourage the resumption of Latin American growth.

In the document, the two heads of state indicate that a lasting solution to the foreign debt problem demands political decisions between creditors, commercial banks, financial organizations, and debtor countries, as well as the acknowledgement of the joint responsibility over this problem.

They stressed Latin America's growing economic deterioration and the wish for the implementation of economic policies aimed at increasing the countries' exports income.

Regarding Central America, the presidents insisted that the Contadora Group is the best option in finding solutions to the regional conflict and, once more, supported the principle of self-determination of nations, the peaceful solution of conflicts, the enforcement of the law, and banned the use of force.

De la Madrid and Cerezo Arevalo asserted that in order for these principles to be implemented the political will of the countries directly involved is urgently needed, as well as the contribution of those countries with ties and interests in the region in favoring a negotiated solution.

They reasserted the right of all countries to democratically elect its forms of government and noted the need to fully adopt Contadora's peace and cooperation agreement for Central America.

They also expressed their confidence that the creation of a Central American parliament will contribute to the strengthening of democracy in the area and that it will be a forum to study the matters of interest of the Central American nations.

Regarding the situation in Latin America, the presidents called for new hemispheric relations based on mutual respect, dignity, and indicated that exchange of experiences should be encouraged between the political parties of the region as well as, parliamentary and governmental communication.

De la Madrid and Cerezo urged the superpowers to seek a real solution to the arms race problem, consolidate social development and establish a new world economic order.

Regarding bilateral relations, the presidents underscored the signing of sic cooperations in the economic, trade, livestock-agricultural, fishery, public health, energy, scientific, technological, education, and cultural sectors. They also reported that there are extensive plans to improve cooperation during this new stage of bilateral relations aimed at strengthening and diversifying existing investments between these two neighboring countries.

It was agreed to establish a binational commission to periodically evaluate relations between the two countries and encourage dynamic and balanced trade. A greater cooperation in the livestock-agricultural and forestry sectors will be sought. It will include actions aimed at fighting the Mediterranean fruit fly, the driller worm, and the African bee. The presidents agreed to coordinate efforts for the development of fisheries, the protection and intelligent use of tropical jungles, exchange information on urban planning, oil industry, and the electric and mining sector.

It was announced that the first binational border meeting will be held to discuss health subjects. A geophysical atlas of border international basin and rivers will be created.

The signing of an economic cooperation agreement on supply and trade of school supplies was reported. The parastatal National Company for Basic Commodities [Conasupo] and the Guatemalan Education Institute will participate in this.

De la Madrid and Cerezo agreed on the subject of Guatemalan refugees in Mexican territory. This problem will be dealt with by a special commission from the neighboring government in coordination with the UN High Commission for Refugees. Finally, the Mexican president reiterated his government's willingness in providing the Guatemalan migrant workers the protection and assistance provided by Mexican laws.

President Cerezo Arevalo expressed his gratitude to the government and people of Mexico for the kind treatment he had during this presidential visit and invited the Mexican head of state to visit Guatemala at a time agreed on by diplomatic channels.

After the signing of the joint communique, President Cerezo granted a press conference and then met with President De la Madrid and his family in an informal gathering. The official farewell ceremony was held at the official mansion at Los Pinos. After the customary honors, the heads of state and their respective delegations left. The guatemalan president and his entourage lef Los Pinos and spent the rest of the day engaged in private activities they will return to their coutnry tomorrow.

Cerezo Leaves 6 July

PA060339 Mexico City XHDF Television Network in Spanish 0130 GMT 6 Jul 86

[Text] Guatemalan President Vinicio Cerezo Arevalo returned to his country today after completing a 3-day [as heard] official visit to Mexico. The Guatemalan president was bid farewell by Mexican Foreign Minister Secretary Bernardo Sepulveda at Mexico City airport. On his departure, he was given a 21-gun salute. He left Mexico at 1545 local time.

Guatemalan Ambassador to Mexico Julio Cesar Mendez Montenegro commented that President Cerezo leaves satisfied with the results of his visit.

PRC VICE FOREIGN MINISTER ARRIVES FOR VISIT

PA071605 Mexico City XEW Television Network in Spanish 1300 GMT 7 Jul 86

[Text] Chinese Vice Foreign Minister Zhu Qizhen arrived in Mexico yesterday to promote an increase in bilateral trade. It is estimated that the increase might be more than $100 million.

PAN DEMANDS NULLIFICATION OF CHIHUAHUA ELECTIONS

PA081526 Paris AFP in Spanish 1344 GMT 8 Jul 86

[Text] Mexico City, 8 Jul (AFP) -- The rightist PAN (National Action Party) will demand that the elections held in the Mexican state of Chihuahua be nullified because "there was massive fraud" in favor of the ruling PRI (Institutional Revolutionary Party), the opposition group reported.

Two days after the people of Chihuahua voted in gubernatorial, deputy, and municipal authority elections, PAN leaders have said: "all votes obtained by the PRI should be annulied."

Among the irregularities, PAN has mentioned that just in Ciudad Juarez, on the U.S. border, 21 false PRI representatives were discovered and more than 50 ballot boxes were "stuffed with PRI votes."

Moreover, chambers of commerce and church officials in Chihuahua have agreed with PAN, and are calling for an investigation to clarify the fraud reports.

The PRI -- the ruling party in the federal government for the past 56 years -- has reaffirmed that it was victorious in the gubernatorial elections in four states (Baja California Norte, Campeche, and Durango, in addition to Chihuahua) as well as in most of the legislative and municipal posts for deputies in those states; and in Michoacan and Zacatecas.

The official results will be issued beginning next weekend.

$959.7 MILLION TRADE BALANCE NOTED THROUGH MAY

FL041616 Mexico City NOTIMEX in Spanish 2350 GMT 4 Jul 86

[Text] Mexico City, 3 Jul (NOTIMEX) -- The Secretariat of Planning and Budget has announced that Mexico had a favorable trade balance of $959.7 million during the first 5 months of 1986.

During the first 5 months, exports of products not related to petroleum increased 28.9 percent, with food products and manufactured products showing the largest increases.

The secretariat stressed the great reduction of estimated crude oil exports, which dropped 60.2 percent, from $5,783,200,000 in the first 5 months of 1985 to $2,299,900,000 in the same period this year. The Secretariat of Planning and Budget has said that during this same period imports dropped 6.2 percent.

With respect to imports of capital and intermediate-use goods by the private sector, the secretariat said they increased 26.3 and 2 percent respectively, while imports of consumer goods dropped 1.5 percent. Public sector imports totalled $1,444,800,000, which was 29.7 percent less than in the same period of the preceding year, while private sector imports totalled $3,824,700,000, which is 7.5 percent more than in the same period of the preceding year. The Secretariat of Planning and Budget has reported that in May 1986 Mexico had a favorable trade balance of $180,900,000.

NON-CIL EXPORTS EARN $16 MILLION THROUGH JUNE

FL081618 Mexico City NOTIMEX in Spanish 0440 GMT 8 Jul 86

[Text] Veracruz, Mexico 7 Jul (NOTIMEX) -- Mexico obtained 8 billion pesos ($16 million) from non-oil exports during this year's first 6 months, the National Association of Mexican Importers and Exporters [Anierm] has reported. The Anierm, through a board of directors member, Angel Matielo Canales, indicated that cattle, agriculture, and sea products have been greatly accepted by the international market. It stated that the state of Veracruz has turned into a very good assembly center because it guarantees low production costs. As an example, it noted that in the United States the daily labor cost is from $35 to $40 and here it is $4 or $5. Finally, it reported that on 15 July Mexico's definite membership in the GATT will be announced so that beginning 1 September Mexico can actively participate in the organization, assuming all its rights and duties.

PEMEX CHIEF FAVORS REDUCED PRODUCTION

PA051550 Mexico City EL NACIONAL in Spanish 2 Jul 86 p 1

[Text] Mexico is prepared to act in solidarity with agreements reached by oil-producing countries and, if necessary, would reduce its export quotas to secure more reasonable prices.

This was stated yesterday by Mario Ramon Beteta, director general of Mexican Petroleum (PEMEX). Beteta was interviewed on the occasion of Engineers Day. He said that it has been noted that the members of OPEC are definitely interested in reaching an agreement.

He said that oil-producing nations that do not belong to OPEC have said they want to reach goals that would benefit all oil-exporting countries.

In the specific case of Mexico, Beteta said, the willingness exists to restrict exports to an acceptable level. This is conditional on the compliance of other countries that may decide to restrict their production to acceptable levels. He said the purpose of this measure is to cooperate so that the supply of oil is not disproportionately higher than the demand for it, thus ensuring more reasonable prices.

Regarding the possibility of increasing the price of unleaded gasoline, Beteta said there are no plans to do so. He noted that PEMEX has nothing to do with that because it is the responsibility of a government prices and fares commission.

Regarding relations between the management and labor sectors of PEMEX, Beteta said they are engaged in negotiations that, he said, are going well.

NORIEGA ADDRESSES RALLY OF TRANSPORT WORKERS

Support for Delvalle

PA040120 Panama City Domestic Service in Spanish 2038 GMT 3 Jul 86

[Statement by General Manuel Antonio Noreiga, commander in chief of the Panamanian Defense Forces, to transport workers at the General Command headquarters in Panama City -- live]

[Text] Good afternoon to all the peasants from the mountains of Ocu, from Herrera and Veraguas Provinces, from San Carlos, and from Capira who are here; to all the drivers who today demonstrated strength and unity; to all of them who came to our home to back, not a man or a name, but a nationalist, a Panamanian, and a sovereign stance according to which we -- the members of the Defense Forces and heirs to the tradition of Torrijos' struggle -- say and reaffirm that we will not be the army that will haul down the Panamanian flag from Ancon hill. [applause]

This struggle and these enemies will remain as long as we are not completely sovereign. These Defense Forces will retain the spirit and the determination to continue, maintain, and support the democracy of President Eric Arturo Delvalle, the man they want to eliminate to demonstrate that there is no democracy in this country. [applause] We support the president's courageous stance. We support his platform. We support his being a Panamanian. We reject the Bunau-Varilla-like people who seek U.S. support to dominate and slander the Panamanian people. [applause]

We do not and will not accept decisions or orders that run counter to justice, Panama's and spirit of nationalism. We are and will be beside and in front of the causes that will lead Panama to be free, sovereign, and master of its own desitny. Thank you.

Views Demonstrations

PA040221 Panama City Circuito RPC Television in Spanish 2300 GMT 3 Jul 86

[Text] This afternoon Panamanian drivers expressed solidarity with General Manuel Antonio Noriegea and the Panamanian Defense Forces. Beginning at 1300, representatives of drivers from all the provinces headed a caravan that set out from the Nuevo Panama gymnasium and traveled along Via Espana and Central Avenue until it reached Avenue A, where they paid their respects to Gen Noriega. Meanwhile, at the General Command headquarters, a group of peasants from Ocu and UNADE [National Democratic Union] legislators greeted Gen Noriega and his staff. In addition, legislator Luis Gomez, on behalf of UNADE parliamentarians, delivered to Noriega a legislative resolution expressing their support for him.

In an impromptu interview, Gen Noriega referred to the demonstration:

[Begin recording] [Noriega] We feel that these demonstrations that have been occurring daily for 2 consecutive weeks in front of the General Command headquarters are not aimed at Gen Noriega or any individual, but rather at a force, the people's sovereignty and dignity, and at the youth, a generation of peoples who contributed to our becoming a nation with an identity of our own. As commander of the Defense Forces, I accept this demonstration, as a patriot and as Panamanian. As Panamanians, we will never relinquish our destiny or our mission of nationalist identification. We will not renounce this and will not be found taking this stance.

[Reporter] Do the relations with the United States have something to do with the various demonstrations against the U.S. enterprises?

[Noriega] I refer to what Ambassador Davis said yesterday. I think you asked him. It is all right. I think ours is a honeymoon.

[Reporter] About statements by Senator Jesse Helms. What would be your message?

[Noriega] The message of the South African blacks, the message of the blacks of Cartagena, the message that would be delivered to him by the blacks of Chorrillo and the Panamanian blacks. We do not want another apartheid here. [end recording]

NORIEGA DISCUSSES SPADAFORA, CHARGES FROM U.S.

PA031756 Panama City EL SIGLO in Spanish 3 Jul 86 p 22

[Text] During an interview with a Colombian reporter, a copy of which was sent to Panama City Radio Continente by the Bogota Television Service, General Manuel Antonio Noriega, commander in chief of the Panamanian National Defense Forces, said "if a man lives a violent life and meets with violent men, his future and his end will be violent."

Referring to the charges made in Panama and abroad regarding the unsolved death of former guerrilla Hugo Spadafora, Noriega said "you die in the same way that you lived, you live the way you act. We are not talking about a monk. The man we are talking about did not live in a monastery nor did he read prayer books."

Without hesitating, the general admitted that Spadafora's death had affected the National Defense Forces. Gen Noriega described the manner in which the revolutionary process' former Health Minister was murdered as "gross."

It was "as if revenge had been the cause for his death." Noriega added that if someone is going to commit such a horrible crime "he is not going to leave any fingerprints."

Noriega continued to say that "this man's death has every sign of premeditation." Gen Noriega added that those who committed the crime did so with the intentions of blaming the National Defense Forces. However, they did so "in an illogical manner because it was precisely the National Defense Forces who had the least to benefit from his death."

Showing the Colombian reporter a U.S. newspaper he had in his hands, Gen Noriega further explained the violent game Spadafora had been playing. Noriega said that Spadafora, a prominent member of the PRD [Democratic Revolutionary Party], had received from Al-Qadhdhafi "4 million for the guerrillas and to create the American Battalion." Noriega added that "we are faced here with a different situation, there are other things involved which we were not aware of."

Putting all professional inhibitions aside, the Colombian reporter made the following statement:

"But you are the one that is being accused of having certain involvements. I read today, in the newspaper you have with you, that you have been involved with the Israelis, the M-19, and Cuba, and that you gave U.S. military secrets to Cuba and vice-versa. I also read about the "Karina" -- all sorts of charges."

Without showing annoyance (even a light chuckle is heard) the head of the Panamanian Army said:

"Panama has relations with all the countries you have mentioned and according to the officials at those embassies, these relations are strictly diplomatic. It would be naive and silly to think that the secrets of the United States, of NASA, and the Challenger are in Panama" or that Gen Noriega or the National Defense Forces are going to be trusted with those secrets.

Noriega continued to tell the Colombian reporter that "when you want to find out what type of weapons a certain country has, all you have to do is look it up in the books." He added that there are enough books and other written material to fill libraries and these books have all the information regarding the quality and quantity of weapons various armies possess.

Speaking of the countries that he allegedly has been supplying with military secrets, Noriega said "as far as weapons are concerned, Israel has no say here," nor Cuba or the United States.

When the journalist insisted on the subject of the charges or conjectures that Gen Noriega "is a friend of the United States sometimes, a friend of Cuba sometimes, a friend of Colombia and its government sometimes, and a friend of the M-19 sometimes," she was referring to the version that the guerrillas were aided, and then information was given to the Colombian Government so that it was able to annihilate them with the cooperation of the Ecuadoran Government. The journalist then frankly stated that this is what they call in Colombia as "playing both sides." The general played down the charge saying that "it is part of the same story."

Noriega explained the way that the canal operates and he said that "a ship cannot be stopped, its cargo removed and opened and then returned back to the hold." He said that the ships are not inspected in the canal "as if they were cars at a checkpoint." He said that there is great ignorance if one thinks that all the ships that cross the canal are under the control of the Defense Forces.

Referring to democracy in Panama and the rapid succession of heads of state, the general said that "this is the way Panamanians are and that they are different from other countries." He said that the revolutionary process "lasted 16 years with a greater military interference in the government." Elaborating on the topic, he defined that interference as "a symbiosis between the civilian and the military." It was not, he said, a dictatorial interference. Noriega insisted that the democratic opening so that the president could be directly elected by the masses "was created by us."

In view of the interviewer's insistence that in Panama military power is above civilian power, Noriega replied: "Negative...the president who could not hold on was the one whose own team players, whose own party, whose own mechanisms of political defense said no in the face of the economic crisis."

"The people continue supporting their government and their process and they continue to function." Noriega said Manuel Antonio Noriega and his family are not the ones being attacked. The attack is on "the Panamanian people, on the country's sovereignty, and on the Panamanians' free determination." He said Torrijos had also "been torn to shreds." He cited [Jose] Remon [Panamanian president 1952-1955] explaining that every time there is controversy about Panamanian sovereignty some "ultraconservative, orthodox, and reactionary group emerges and lines up the battery against the president."

Noriega said he is not afraid to die. "I am a child of God. Everyone has to die sometime." He concluded the idea with a suggestive question that was left hanging in the air:

"As a Panamanian I have to ask" How many martyrs died on 4 July Avenue [site of the 1964 riots]? How many have fallen in the struggle for Panama's liberation?"

MORE ACCESS SOUGHT IN CANAL MANAGEMENT, FINANCES

PA081534 Panama City STAR AND HERALD in English 8 Jul 86, pp A-1, A-4

[By Ursula Michel-Howell]

[Excerpts] The Panamanian government wants more access to the Panama Canal administration's finances and supervision of canal maintenance, the director of Panama's Executive Office of Treaty Affairs (DEPAT) said Monday.

On the eve of the fourth quarterly Board of Commissioner's meeting, DEPAT Director Major Daniel Delgado D. told the STAR & HERALD he plans to submit his government's requests to the board July 9 and 10.

Delgado said he will also request development of a plan to increase the number of Panamanian executives in the PCC [Panama Canal Commission] administration and ask for an increased information flow between PCC and DEPAT.

American and Panamanian Board members will meet Wednesday and Thursday at the commission's administration building in Balboa Heights.

Among the topics scheduled for discussion by the board are a progress report on the widening of Culebra Cut, the operating and capital budgets for Fiscal Year 1988, and Panamanians' participation in management positions, according to the Canal Commission.

DEPAT Director Delgado discussed Panama's positions on a number of agenda items during an interview yesterday.

Maintenance of all vital structures and equipment for efficient operation of the canal will be one of the topics Panama has a special interest in, he said.

Panama would like to see PCC develop a full program of maintenance which can be followed by Panamanian technicians once the canal is turned over in the year 2000, Delgado said. [passage omitted]

The canal administration's financial situation is a second topic the Panamanian government wants to discuss at this week's board meeting, Delgado said.

DEPAT seeks access to complete financial statements and detailed budgets, Delgado said. With that information in hand, he said his government could review expenses and projects. Panama has in the past alleged that PCC spent millions of dollars on projects not included under the canal treaty, preventing a profit payback to Panama at the end of the fiscal year.

"They manage themselves in a way as to not have any profits by the end of the year", Delgado said.

Current fiscal year statements provided by PCC to DEPAT indicate the canal has a profit of $11.7 million, and Panama wants to make sure that profit is not expended before the end of the fiscal year in September, Delgado said.

The DEPAT Director said he had information that PCC plans to ask Congress to spend those profits on maritime claims settlements and other operations of the commission.

The PCC did not wish to comment on these figures yesterday.

"We feel this is a move to make sure that there is no profit at the end of the year", which could be paid to Panama, Delgado said. [passage omitted]

Surplus Canal Funds Requested

PA080217 Panama City Domestic Service in Spanish 1730 GMT 7 Jul 86

[Excerpt] Daniel Delgado, director of the Executive Office of Treaty Affairs, has referred to the financial topics that will be discussed during the quarterly meeting of the Panama Canal Commission's directorate board:

[Begin recording] We, the Panamanian Government, will support the position that the Canal Commission should not use the surplus that has accrued so far in fiscal year 1986 so that it may be maintained and turned over to Panama as stipulated by the treaties. This is in regard to the $10 million surplus.

Panama also wants to be paid any amount over this figure to compensate for what it has not received from the surplus accrued in previous years. In other words, Panama's position is that the Panama Canal Commission should not spend these funds so that the surplus is on the books at the end of the fiscal year. [passage omitted] [end recording]

COSTA RICA

ARIAS PREDICTS 'DIFFICULT TIMES' FOR COUNTRY

PA081751 San Jose LA NACION in Spanish 2 Jul 86 p 4a

[Excerpt] Difficult times lie ahead for this country with the intensification of the war in Nicaragua, and we will suffer the consequences because we are its neighbors. There will be more refugees. Consequently, Costa Ricans must become more tolerant, understanding and creative.

Yesterday, Costa Rican President Oscar Arias Sanchez referred to the effects that the U.S. Government's economic and military aid for the Nicaraguan contras will have on our country in the immediate future.

At an impromptu news conference held at a hall of the presidential residence in Zapote, the president also stated that it will become even more difficult to promote the development of the country's northern region because the farmers, cattlemen, and other businessmen will be afraid of risking their capital in investment projects.

The intensification of violence in Central America will prevent the entry of foreign capital to promote investments here because "we are Nicaragua's next-door neighbors and we cannot change our geographical position," the president continued.

In this way President Arias commented on the resumption of the U.S. financial assistance to the anti-Sandinist rebel groups, which was recently approved by the House of Representatives at the initiative of President Reagan.

Arias also said that he regretted that in all these years of negotiations, the Managua regime has not made any concessions and has remained inflexible in its positions. If we must blame someone, Arias said, "I honestly believe that the Sandinist government of Nicaragua" has the biggest share of the responsibility for this problem. [passage omitted]

ARIAS DISCUSSES RELATIONS WITH DICTATORSHIPS

PA070440 Panama City ACAN in Spanish 1530 GMT 5 Jul 86

[By Wilfredo Chacon S.]

[Excerpts] San Jose, 5 Jul (ACAN-EFE) -- After severing diplomatic relations with the Government of South Africa, as announced yesterday by Costa Rican President Oscar Arias Sanchez and Foreign Minister Rodrigo Madrigal Nieto, President Arias said: "It is proof that we pratice what we preach."

Regarding the undemocratic regimes that are near Costa Rica, President Arias said with sorrow and regret that Cuba does not have a democracy and that the same is happening in Nicaragua.

With regard to South America, President Arias said that "Paraguay does not have a democracy. At this moment Chile is far from being a democratic regime," and thousands of Chileans are living under "a brutal dictatorship." [passage omitted]

President Arias did not dismiss the possibility of severing relations with other dictatorial regimes of the right or the left.

However, he told ACAN-EFE: It is not always appropriate to go to such an extreme, and we must be sure that we will achieve peace and freedom.

He added: "We will do it, if we are convinced that with the severing of relations we are going to get the dictatorial regime to implement a political system that is more open, pluralist, and democratic."

"But if conditions prove more suitable to maintain diplomatic relations, we prefer to do it this way, for the good of democracy," President Arias said.

President Arias insisted that his government's policy against totalitarianism, dictatorships, and oppression "is not leftist, rightist, fascist, nor Marxist;" it is just a policy in line with democracy.

He also reiterated his desire "to use Costa Rica's prestige as a means to promote peace and freedom throughout the world, especially on the American continent."

Referring to the subject of severing diplomatic relations with dictatorial regimes, President Arias expressed his hope that "practicing what we preach will have global repercussions."

EL SALVADOR

PDC MEETINGS WITH OPPOSITION 'RESOUNDING FAILURE'

PA081952 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 7 Jul 86

[Text] Opposition political leaders confirmed today at the national congress that the meetings for rapprochement and dentente between government and opposition political leaders that were held behind closed doors for several weeks at the President Hotel in western San Salvador were a resounding failure.

According to the sources, who asked that they not be identified, ARENA [Nationalist Republician Alliance], the National Conciliation Party, and the Christian Democratic Party [PDC] held moe than 10 meetings over a 3-week period in an attempt to arrive at joint positions on various current national issues.

A statement issued by ARENA under the title "The Dialogue of National Embarassment" proves that the meetings called by the PDC were a resounding failure.

In that statement, ARENA says Jose Napoleon Duarte's proposal to the left-wing extremists constitutes a "dialogue of national embarassment," and asks: What are the PDC's hidden purposes behind all the propaganda surrounding the dialogue with those who have destroyed so much in El Salvador? The PDC administration is a failure, and now it is attempting to improve its image. It has done nothing but corrupt our country with so much demagoguery and squandering of the people's money, and now it wants to put up a masquerade of a peace dialogue, ARENA's communique states.

It continues, saying: Mr Duarte: Peace cannot be negotiated with terrorists. Peace is a noble pursuit that should be accomplished through hard work, effort, and dedication to the country's interests. You are advocating a dialogue with your friends the communists, partners in your mad political pursuits, in response to purely personal interests, once again placing your private concerns over the nation's interests, as you did when your daughter was kidnapped, ARENA states in its communique.

Talks with communists have never reaped fruit, the statement adds, citing as examples what happened in Vietnam, Cambodia, and Colombia.

Trace the communists' history, Mr Duarte. Take support from the Salvadoran Armed Forces, work honestly side by side with the Salvadoran soldiers, clean your government of corrupt, inept men, and shed your selfishness. This will allow you to see that together the people, Armed Forces, and government are the guarantors of true peace, the statement released by ARENA's professionals faction states in closing.

HONDURAS

ROSENTHAL ON U.S. ENVOY POLICIES, CONTRA AID

PA090301 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 7 Jul 86

[Interview with Presidential Designate Jaime Rosenthal by reporter Douglas Membreno; no date or place given -- recorded]

[Text] [Rosenthal, broadcast in progress] ...U.S. politics. I lived there when I was a student, and I have since followed the United States' politics. I have read a lot about this, so I am surprised [changes thought] ...it was reported again today by several newspapers in the United States that the problem is that Ambassador Ferch could not impose U.S. policies on Honduras.

I can tell you that, as far as I am concerned, no U.S. ambassador will be allowed to impose U.S. economic policy on Honduras. The minute they try to impose any policy here, I will either have to be removed form the government of the U.S. ambassador has to leave without receiving the Honduran Government's approval. However, we will not let Washington impose its policies on Honduras. That is why I was laughing today. how can they believe they will impose policies that do not concur with President Azcona's policies? I think those times have passed.

[Membreno] Excuse me, you do not think that the U.S. President's policy will remain the same and the aid to the contras will pass through our territory?

[Rosenthal] That is the problem. I do not think that the $100 million that the United States will channel to the contras will pass through the U.S. Embassy in Honduras. That money should not pass and will not pass through here. They also have a large embassy in Costa Rica, which is quite close to Nicaragua, as we are. I believe that the aid is really disbursed in Miami and not in Honduras.

FURTHER ON VEGA EXPULSION FROM NICARAGUA

Bishop Recounts Deportation

PA071908 Panama City ACAN in Spanish 1745 GMT 7 Jul 86

[By German Reyes]

[Text] Tegucigalpa, 7 Jul (ACAN-EFE) -- Bishop Pablo Antonio Vega, who was deported from Nicaragua last Friday, today stressed the need to find a peaceful way to make the changes the region's peoples need, and to prevent the spiral of violence form increasing in intensity.

"The Nicaraguan Catholic Church wants the powerful and meek to come together as brothers to make the changes our peoples need," the Nicaraguan bishop told ACAN-EFE during an interview.

Vega is the vice president of the Nicaraguan Episcopal Conference, and is currently in exile in Honduras. Yesterday he made his first public appearance since he was expelled from his country, when he officiated at a mass at the San Miguel Salesian Institute.

According to the Sandinist government, Vega was "sent into exile for violating the state of emergency" in force in that neighboring country, for committing "slander" against the revolution, and for campaigning on behalf of the United States.

"So far, Christians have lived on a somewhat individualized level, without realizing that we are also a people, are faithful, and that we must forge our own identity as a country and our own history," the bishop said.

According to the monsignor, to Christians the meaning of history "is based on dynamics that emerge from the spirit and from the need to have to face the world to shape it, not simply suffer or cry over it."

Regarding his expulsion from Nicaragua, he said that he was summoned to "chat" with the Chontales authorties on Friday, 4 July.

Upon his arrival at the home of the regional chief at 0805 on Friday, "I noticed that there were several military and security men. One of them said that following government orders, I was under arrest."

He said that he was then told to get into a sedan and taken down a side road, "perhaps to try to mislead people, so that they would not realize the circumstances under which I was riding with those two men, who were dressed in civilian clothes," he explained.

He said that at no time was he mistreated, and that when they arrived at a place known as the "penitentiary," there were tow helicopters waiting. "One of those big ones. I was asked to get into it."

"I was free to move around inside the helicopter," he went on. "They had a doctor look me over, as I had not been well lately."

He did not say where exactly the helicopter dropped him off, but he did explain that he arrived at the Honduran border in a "trailer," [preceding word in English], and that the Nicaraguan customs officials looked puzzled. "They were not aware of what was going on. No one had advised them of my situation."

"At the border the soldiers told me that "I now had to find a new country because they would not let me return to Nicaragua," he added.

"I replied that countries are not given or taken away from one and that despite all these problems, I knew that we are all Nicaraguans and that one day they would come to realize the true meaning of the word country."

Once in Honduran territory, immigration chief Colonel Flores Aucedo ordered in Tegucigalpa that the bishop be given all the necessary protection and means to make his way to the capital.

Pablo Antonio Vega did not rule out the possibility that the Sandinists or the counterrevolutionaries fighting against the Nicaraguan Government might want to kill him, saying that in Nicaraguan rumors circulated that he might be the target of an attempt.

On the Sandinist charges against him, he said: "We cannot remain silent or become accomplices to the suffering of an entire nation."

The church leader said that he is not maintaining a political stance, because the Christian message "is life exists to give life and freedom to men and nations."

The Nicaraguan bishop refused to say where he is staying, adding that he will announce that in due time, after the Honduran authorities define his status in the country.

Vega on Sandinist Regime

PA081653 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 8 Jul 86

[Text] Msgr Pablo Antonio Vega has told this televison program that as time goes by, our countries increasingly lose their autonomy because they are bending to the dictates of powers from other continents.

The Nicaraguan church is seeking a civic way out of the political crisis that prevails in Nicaragua. This was stated by Pablo Antonio Vega, vice president of the Episcopal Conference. Msgr Vega was expelled from his country by the Sandinist government.

The monsignor has said that the people are losing their sovereignty because of meddling by the big powers.

[Begin recording] [Vega] We have always proposed that the government maintain a civic path, and not a path of repression and oppression against the people. They have a materialistic philosophy, and we are in conflict with that. We continue inisiting on a civic alternative for the Nicaraguan people.

[Reporter Mario Cali] Is there a climate that could represent a threat of a confrontation between Honduras and Nicaragua, or is Nicaragua promoting such a climate?

[Vega] You know that this type of government goes beyond national limits. It supports international blocs, so if their theory, their dependency on a particular bloc gains strength, the confrontations between the international blocs will be further aggravated, and this is dangerous.

Our poor nation's best path would be our own sovereignty and the search for an equidistant position. The more we get mixed up with international blocs, the less sovereignty we will have internally. The path for us is simple sovereignty and an equidistant position so that we don't go beyond what is best for us.

[Cali] One last question, Monsignor: Do you believe that the Catholic Church of Nicaragua, or at the Central American level, is maintaining a position of civic opposition to Sandinism and that it is not one of support for the armed counterrevolutionaries?

[Vega] There are political groups, and the general feeling of the people is that they want a civic revolution and not police and military oppression. This is the greatest source of conflict. On the one hand, the church will continue demanding a civic road, and on the other there is government insecurity when they resort to mechanisms of force and not to rights that could become legitimate: the rights of the people.

[Cali] What is the role of the Nicaraguan Catholic Church regarding the Nicaraguan counterrevolution, that is, the armed opposition?

[Vega] In this regard we do nothing but to take notice of facts and to acknowledge the right the people have to defend themselves when they face a government that does not respect the rights of the people. [end recording]

Honduras' immigration authorities have granted an indefinite residence permit to the Nicaraguan monsignor.

NICARAGUA BARS HONDURAN BISHOP ANDRES RODRIGUEZ

PA090111 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 8 Jul 86

[Excerpt] Attention please, listeners. Msgr Oscar Andres Rodriguez, a bishop, has been banned from the Republic of Nicaragua. The Sandinists not only expel their own priests. As part of their campaign against the Catholic Church, they are banning other Central American prelates from entering. That is the case of Msgr Oscar Andres Rodriguez of Honduras, one of the top Catholic leaders of the republic. Our press department obtained this information late yesterday from a source closely linked to the archepiscopal curia here in Tegucigalpa. [passage omitted]

NICARAGUA

ORTEGA SAYS REMARKS PROVE REAGAN 'MAD'

PA072017 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 7 Jul 86

[Excerpts] The people of Juigalpa took to the streets to protest the U.S. warmongering policy and express support for the revolutionary government. [passage omitted with unidentified demonstrators' remarks]

The march ended at the Francisco Meza Rojas Square, in front of the FSLN headquarters, where President Daniel Ortega called for the national unity of all the people.

During his Saturday speech, Commander Ortega said President Reagan said that the Statue of Liberty had smiled at him when the $100 million for the contras was approved in the U.S. Congress. He said that remark proved that the U.S. President is mad.

[Begin Ortega recording] We are certain that the American people oppose Reagan [words indistinct]. [end recording]

President Ortega called the Nicaraguan people to national unity to defend the revolution.

[Begin recording] We must strengthen the unity of all the Nicaraguans, and of all that is Nicaraguan, regardless of political affiliations.

Today, Nicaraguan citizenship is being put to trial. He who is truly Nicaraguan will have to be on this side, [words indistinct] Nicaragua against the aggression. He who is not Nicaraguan, he who denies his citizenship, will [words indistinct] on the side of the aggressors [words indistinct].

The FSLN, The Nicaraguan Government, calls for the national unity of all Nicaraguans: national unity to defend our country and sovereignty; Nicaragua, which belongs to all of us, and which today is being threatened by U.S. imperialism. [end recording]

GOVERNMENT REJECTS OPPOSITION MEDIATION OFFER

Nunez Comments

PA081916 Panama City ACAN in Spanish 1843 GMT 8 Jul 86

[By Denis Garcia Salinas]

[Excerpt] Managua, 8 Jul (ACAN-EFE) -- The Sandinist government has ruled out the internal political opposition as an interlocutor for the purpose of creating a peace commission that would seek a cease-fire in the war that has been going on in Nicaragua for the past 5 years.

The proposal was presented yesterday by the Nicaraguan Coordinating Board (CDN), the largest coalition of opposition political groups, and by the Independent Liberal Party (PLI), which is represented in the Nicaraguan parliament.

National Assembly President Commander Carlos Nunez, who is also a member of the FSLN Directorate, has minimized the importance of the opposition's proposal and noted he doubts the dissident organizations' sincerity about being "concerned."

He explained that the document issued by the CDN and PLI includes "conditions" to be met by the revolution and this type of proposal "does not deserve to be heard."

The only interlocutors the Sandinist front acknowledges are the six parties represented in the National Assembly, the Central American Unionist Party (PUCA), and the Revolutionary Workers Party (PRT). PUCA (rightist) and the PRT (leftist) are political groups with a small number of militants and are not represented in the Nicaraguan parliament.

Carlos Nunez flatly refused to enter into discussion with the CDN groups that did not participate in the November 1984 general elections. [passage omitted]

Rivas Leiva Responds

PA070432 Panama City ACAN in Spanish 2150 GMT 6 Jul 86

[By Filadelfo Martinez]

[Excerpt] Managua, 6 Jul (ACAN-EFE) -- Luis Rivas Leiva, the top Social Democratic leader of Nicaragua, today said the political space in this country is closing up to such an extent that "the opposition party has no reason to exist."

The secretary general of the opposition Social Democratic Party of Nicaragua returned from Costa Rica last Friday and participated yesterday in a meeting involving representatives of six center-right parties of this country.

The dissident politician told ACAN-EFE that the most recent measures adopted by the Sandinist government contradict the proclaimed political pluralism and places governmental parties in "strait jackets."

He added that threats by top Sandinist leaders against opposition members is a "fright campaign" and a "flagrant" violation of individual and collective rights "that go beyond the framework of the emergency law."

In the wake of the U.S. House of Representatives' approval of $100 million for the contras on 24 June, the Sandinist government announced the "severe and strict" enforcement of the national emergency law.

This law, which was broadened on 15 October, empowers the Nicaraguan Government to restrict the freedoms of movement, expression, and assembly, among other things.

Since making that decision, Sandinist authorities have closed down the opposition newspaper LA PRENSA of Managua "indefinitely" and have banned from the country two prominant ecclesiastical leaders for being "spokesmen" for U.S. interests and its aggressive policy.

According to Rivas Leiva, democratic groups in Nicaragua are "simple spectators of the military situation" prevailing in the country.

The opposition leader pointed out that his party promotes a peaceful solution in this Central American nation, but "we are victims of this situation that we have not brought about."

He added: "That is why we feel that our opposition party has almost no reason to exist."

Rivas Leiva added, however, that they will maintain "a civil struggle." [passage omitted]

BISHOPS' LETTER VIEWS PROBLEMS WITH REGIME

PA090353 Panama City ACAN in Spanish 0240 GMT 9 Jul 86

[Text] Managua, 8 Jul (ACAN-EFE) -- The Nicaraguan bishops published a letter today that they sent to all the Episcopal Conferences in the world, following the measures recently adopted against the clergy by the Sandinist Government.

The text of the message is as follows:

The bishops of the Episcopal Conference of Nicaragua fraternally greet the bishops of the Episcopal Conferences in the world and wish to share with them the sufferings and hopes of the pilgrim church in Nicaragua, and request their prayers and solidarity, and report the following:

1. The church's situation in Nicaragua becomes more difficult each day, given the increasing pressures and threats from the government of the Republic:

a) The Holy Father and the country's bishops are constantly disrespected and slandered through the government's news media.

"The government is particularly interested in presenting the bishops as persecutors of church members and as allies, followers, and supporters of the imperialist plans of the United States; the Holy Father is depicted as the one who carries out these plans." (Letter from the Nicaraguan Episcopate on the Eucharist, Unity Front, and Reconciliation, date 6 April 1986.)

Yesterday an official newspaper even wrote an editorial which states: "The most treacherous partnership prevails between Reagan, who said yesterday that the Statue of Liberty had smiled at the approval of millions for his mercenaries, and this pope, who only dedicates prayers for the dead Yankees and issues accusations and threats against the victims of U.S. imperialism; This represents a grave danger to the people, like the times when Bavbarism and genocide were perpetrated in the name of the cross and the empire." (EL NUEVO DIARIO, 6 July, 1986)

b) Priests who remain faithful to the bishops are constantly visited by State Security members with the intention of separating them from their bishops, through praise or threats. The same strategy is used with faithful Christians with the intention of separating them from their own church, threatening them and their families with reprisals if they refuse to cooperate.

c) During the last 7 years, the church has been deprived of 2 nuns and 26 priests, who were expelled from the country by the Sandinist government.

d) A Nicaraguan priest, Msgr Bismarck Carballo, director of Radio Catolica and vicar of the church's news media, has been exiled from the country. (28 June 1986).

Msqr Pablo Antonio Olga, a Nicaraguan who is bishop of Juigalpa, vice president of the Epescopal Conference of Nicaragua, and member of the Justicia Et Pax Pontifical Commission, which was located in his episcopal headquarters, was expelled from the country on 4 July 1986.

e) Problems have increased, and it is virtually impossible to get residence visas for priests, clergymen, and nuns who wish to engage in pastoral work in Nicaragua with the bishops. The nuns of the order of Mother Theresa of Calcutta have been denied the possibility of establishing two communities in Nicaragua, following almost a year of contacts. The clergymen of the people's church who come to work in favor of the government have no problem in this concern.

2. The silence to which they are attempting to subject the church, inside the country, as well as abroad, is complete:

a) Since 1981 the church has not been allowed to use the television media. Documents issued by the Holy See, as well as by the Nicaraguan Episcopal Conference, have been censored to the point that publication of the Holy Father's letter to the Nicaraguan bishops (29 June 1982) was censored and later published accompanied by an offensive commentary from the Interior Minister's Communications Media Directorate.

The publication of communiques and the Episcopal's pastoral letter (6 April 1986) was banned.

b) IGLESIA, the Managua archdiocese newspaper, was confiscated on 12 October 1985.

c) The printing shop were IGLESIA and the 8-year-old parish bulletin that carried the text of the Sunday liturgy was confiscated (14 October 1985).

d) Nicaragua's Radio Catolica was closed on 1 January 1986 after several years of being censored.

e) The few independent communications media, like LA PRENSA, closed on 26 June 1986, were not allowed to publish Msgr Miguel Obando y Bravo's Sunday homily and other statements made or articles written by the church hierarchy. This began 3 months ago. Meanwhile, the numerous government communications media are allowed and promoted to publish slander against the church.

f) Anyone who, inside the country or abroad, may make a statement that the government considered to be subversive, is threatened with expulsion from the country.

g) The church is slandered and it is accused of refusing to hold a dialogue. However, they overlooked the fact that throughout 1985 several meetings, 10 in all, were held between the church and the state commission. They have also overlooked the fact that many proposals to hold dialogues have been made and these proposals have gone unanswered. Such is the case of the most recent letter addressed to the government on 2 May 1986.

h) If the bishops, priests, clergymen, and faithful, insist on being faithful to the church and defending their human rights, their moral and physical safety is threatened by scandals, demonstrations by mobs, and requested for their death or expulsion from the country.

3. The so-called people's church, which is totally at the service of the government's cause, is themost dangerous weapons used by the government to attempt to divide the church (Nicaraguan Episcopal Conference pastoral letter, 6 April 1986).

Those priests and nuns, members of the people's church, are the ones who repeat, at the international level, the ideas and slander of the government against the church.

We believe that this information, which is not completed, can be useful so that the truth of what is happening to the church in Nicaragua can be better known.

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MALMIERCA REITERATES STAND ON TROOPS IN ANGOLA

FL082004 Havana Radio Reloj Network in Spanish 1802 GMT 8 Jul 86

[Text] In Vienna today, Cuba reaffirmed that Cuban troops will be withdrawn from Angola when agreement has been reached with the Luanda government and when the Pretoria regime disappears and Namibia becomes independent.

The Cuban foreign minister said that, as long as apartheid exists, there will be no peace or security in southern Africa. Malmierca spoke at the international conference for the immediate independence of Namibia, which is meeting in the Austrian capital. He described as illegal the so-called inkage theory [between the withdrawal of Cuban troops and Namibian independence], which only serves to delay the implementation of the international resolutions on Namibia.

Malmierca said Cuba demands that the conference demand that the Security Council apply sanctions against South Africa and call for an end to all support for that regime.

PRESS COOPERATION AGREEMENT REACHED WITH PRC

FL051610 Havana Radio Reloj Network in Spanish 1418 GMT 5 Jul 86

[Text] Bo Yibo, executive vice chairman of the Central Commission for Guiding Party Consolidation of the CPC Central Committee, today received PRENSA LATINA Director General Pedro Margolles.

Following the interview, Margolles and the delegation accompanying him met with Zeng Tao, vice chairman of the Standing Committee of the National People's Congress [as heard] and former chief correspondent of the XINHUA news agency in Havana.

During the meeting, Zeng Tao and Margolles praised the cooperation between XINHUA and PRENSA LATINA, which began in early 1960 and has continued without interruption.

The Latin American delegation has been in Beijing since Thursday on a friendly visit, invited by XINHUA to sign a new bilateral cooperation agreement replacing the existing agreement, which was signed in 1960.

ETHIOPIAN PARTY DELEGATION DEPARTS 7 JULY

FL071856 Havana Television Service in Spanish 1700 GMT 7 Jul 86

[Text] The ethiopian delegation headed by Ashagre Yigletu, Workers Party of Ethiopia Secretariat member and chief of the party's Foreign Relations Department, today left for Mexico after a 1-week official working visit to our country. Rodolfo Puentes Ferro, party Central committee member and Cuban ambassador to Angola, saw them off.

During the delegation's talks with their Cuban counterparts, the satisfactory development of cooperation between the two countries was reaffirmed and the main international problems were examined, especially those related to Africa and Latin America. The Ethiopian delegation also met with Ethiopian students in Cuba and visited important places of historic, political, and economic interest.

ACP EXPORTS UP; CARIBBEAN SHARE STILL SMALL

FL082026 Bridgetown CANA in English 2000 GMT 8 Jul 86

[Text] Bridgetown, Barbados, July 8, CANA -- European imports from developing countries in Africa, the Caribbean, and the Pacific increased nearly six per cent in 1985 over 1984, but the Caribbean share of exports to Europe was still among the smallest in the ACP bloc.

An official publication of the European community and the ACP, COURIER, today reported ACP exports reached 26.8 European currency units [ecu] (one ecu; 92 U.S. cents) during 1985, up 5.6 per cent on 1984.

The bulk of the export trade in the ACP bloc originated in Africa -- some 92 per cent. Pacific and Caribbean countries shared the remaining eight per cent, COURIER reported.

European exports to the community rose 6.6 per cent during the period to reach ecu18,000 million, according to COURIER.

ACP countries supplied 83 per cent of community sugar imports.

The Caribbean exports mostly sugar to Europe and is linked with other developing countries to the EEC by the Lome Trade Aid Convention.

JAMAICA

PRIME MINISTER PREDICTS CLOSE ELECTION CONTEST

FL081825 Bridgetown CANA in English 1617 GMT 8 Jul 86

[Excerpts] Kingston, Jamaica, July 8, CANA -- Prime Minister Edward Seaga has predicted a close contest between his Jamaica Labour Party (JLP) and the opposition People's National Party (PNP) in the July 29 municipal elections.

At a campaign rally last night, Seaga implied that public opinion surveys forecasting a PNP landslide were propaganda.

According to Seaga, both parties each had significant leads in three parishes and were running neck-and-neck in the other seven.

The latest published survey by pollster Carl Stone gave the PNP a 62 per cent support among people intending to vote in the elections, two per cent better than his May finding.

The PNP apparently picked up its support at the expense of the JLP which was two points down in May, at 36 per cent. The Marxist-Leninist Workers Party of Jamaica (WPJ) had a two per cent following.

The Stone polls have a reputation for correctly predicting election results.

But Seaga, who recently said a poll commissioned by his party had shown it was closing the gap on the PNP, remained unconvinced.

I don't want anybody to believe because they see the propaganda that this election is a runaway victory for anybody, Seaga said. It is going to be a close contest right down to the wire, he added. [passage omitted]

The PNP and the JLP each yesterday nominated 187 candidates for all the seats in the municipal authorities, while the WPJ fielded 13 candidates in eight parishes.

The Jamaica-American Party, which says it wants to make Jamaica a U.S. state, nominated six candidates.

Both sides are taking this election, the first significant contests between the JLP and the PNP since the 1980 general election, with a degree of seriousness not generally given to municipal polls.

The PNP, which boycotted the December 1983 general elelction, says it is using this as a referendum on the Seaga government, which if it wins, it will use to call for a general election.

Seaga has rejected that his government is on trial but has been campaigning hard to portray an image of effective leadership that has made gains in a difficult environment.

Manley, at a PNP rally last night, urged a high voter turn-out, saying that the government wished for a low voter turn-out to hold down the margin of a PNP victory.

It would then attempt to use this in an attempt to defy pressure for parliamentary elections, he said. [passage omitted]

TRINIDAD-TOBAGO

PRC VICE FOREIGN MINISTER INVITES INCREASED TRADE

FL051801 Bridgetown CANA in English 1748 GMT 5 Jul 86

[Text] Port of Spain, Trinidad, July 5, CANA -- Visiting Chinese Vice Foreign Minister Zhu Qizhen has invited Trinidadian businessmen to enter the Chinese market, making use of a bilateral economic and technical co-operation agreement between the two countries.

We welcome more people in the industrial and business circles in your country to visit China, to gain an understanding of China's market and to explore with your Chinese colleagues the possibility of doing business, Qizhen told a business luncheon here yesterday.

We did not have many contacts in the past. We wish to strengthen our economic contacts with the private sectors in Trinidad and Tobago in the future.

In a return speech, Emile Elias, president of the businessmen's association, said some of the main problems holding back the local businessmen in their trade with China was the time it took for the issue of letters of credit and the lack of a containerised cargo service from the two countries.

Qizhen promised to report all the problems he had heard to the relevant departments in Peking.

GOVERNMENT EXPELS NETHERLANDS DIPLOMAT

PA090500 Buenos Aires REUTER in Spanish 0405 GMT 9 Jul 86

[Text] Paramaribo, 8 Jul (REUTER) -- The Surinamese military government today expelled Erik W.P. Klip, the secretary of the Netherlands Embassy, for his "improper interference in local affairs," the Surinamese Foreign Ministry announced today.

The ministry gave Klip 1 week to leave this former Netherlands colony.

Relations between the Netherlands and Suriname began to deteriorate in December 1982, when 15 people who opposed the government of Commander Desi Bouterse were murdered. Bouterse, a former army sergeant, assumed office through a coup in 1980.

To protest the murders, the Netherlands Government suspended a $1.5 billion aid program.

Since that time, Suriname has reduced its mission to the Netherlands to the rank of charge d'affaires, although the Netherlands Government maintains an embassy in Paramaribo.

PUNWASI CONCERNED ABOUT ARRESTS OF JOURNALISTS

FL252122 Paramaribo International Service in English 1800 GMT 25 Jun 86

[Text] The Court of Justice met yesterday on recent developments in which the judiciary is involved. [Words indistinct] on the same question. The reason for both meetings are critical remarks made by Minister of Justice Punwasi on the arrest, release, and rearrest of two Dutch journalists.

The journalists, who claimed to be travel agents, are accused of being illegal in Suriname. After the release of the two dutchmen by the investigating Dutch [as heard], Minister Punwasi expressed concern about the developments in the judiciary which do not cohere with what we call social reality.

Neither the judiciary nor the bar is very pleased with this pronouncement.

FBIS
DAILY REPORT
CONTENTS

Latin America

Vol VI No 132 10 July 1986

INTER-AMERICAN AFFAIRS

New Latin American Common Market Announced [EFE] A 1
Uruguay Praises Integration [AFP] A 1

BOLIVIA

Ministers Explain 'Reactivation Plan', Wage Hike C 1
Opposition Denounces ADN-MNR Leadership Accord C 1
Garcia Meza Acquitted of Selling Guevara Diaries C 2
Briefs: FRG Offers Financial Aid C 2

BRAZIL

Funaro Announces Bond Issue for Foreign Funds [FOLHA DE SAO PAULO 8 Jul] D 1
EBN President, Superintendent Appointed [O GLOBO 8 Jul] D 1
Briefs: Oil Field Discovery D 1

CHILE

Explosion Blacks Out Port After Pinochet Departs E 1
'Violent Incidents' Disrupt Student's Funeral E 1
Student Kidnapped, Burned in Valparaiso [LA SEGUNDA 9 Jul] E 1
Opposition Leaders Reject Accord With Communists E 2
Value-Added Tax to Protect Domestic Industry E 3

PERU

Army Report Confirms Executions in Prisons J 1
Antidrug Operation Nets 14 Planes in Tingo Maria J 1

VENEZUELA

Lusinchi Cites Achievements on Independence Day L 1
USSR Deputy Minister Condemns Contra Aid [EL NACIONAL 1 Jul] L 6
Iranian Envoy Invites Lusinchi for Visit L 7

MEXICO

De la Madrid Says Elections Reaffirm Revolution M 1
  Vote Counts Updated M 1
  PAN Protests Reported M 2
Funds Increased for Antidrug Campaign M 2
  [EL NACIONAL 3 Jul]
Chinese Vice Foreign Minister Views Disarmament M 3

PANAMA

Canal Commission Owes $54 Million to Treasury N 1
  [MATUTINO 8 Jul]
  Foreign Minister on Payment N 2
  [MATUTINO 9 Jul]

CENTRAL AMERICA

BELIZE

Duties Increased on 83 Types of Goods P 1
  [THE BELIZE TIMES 6 Jul]

COSTA RICA

Minister Announces Antidrug Operations P 2

EL SALVADOR

Cubans, Libyans Banned; Nicaraguans Restricted P 2

HONDURAS

Lopez Contreras on Green Berets Training Contras P 3
  [TIEMPO 8 Jul]
U.S. Troops Accused of Chemical Weapons Use P 3
Briefs: New Ambassador to Spain P 4

NICARAGUA

Ortega Addresses Mine Workers in Chontales P 4
National Assembly Ratifies IPU Delegation P 8

CUBA

EFE Reports Release of 47 Political Prisoners Q 1
Malmierca Speaks at Namibia Conference [cross-reference] Q 1
Agreement Signed With Mexico To Increase Trade Q 1
Anniversary of Mongolian Revolution Marked Q 1
Castro Meets With Mother Teresa of Calcutta Q 2
Sugar Workers Union Analyzes Deficiencies Q 2

NEW LATIN AMERICAN COMMON MARKET ANNOUNCED

PY091844 Madrid EFE in Spanish 1817 GMT 9 Jul 86

[Text] Buenos Aires, 9 Jul (EFE) -- A senior Argentine Foreign Ministry spokesman today confirmed the creation of a Latin American common market. He noted that Argentina, Brazil, and Uruguay will be the first members of this organization.

The spokesman added that "President Raul Alfonsin and his Brazilian counterpart, Jose Sarney, will make the announcement on 28 July" during Sarney's visit to Argentina.

URUGWAY PRAISES INTEGRATION

PY090336 Paris AFP in Spanish 0028 GMT 9 Jul 86

[Text] Montevideo, 8 Jul (AFP) -- Uruguayan Foreign Minister Enrique Iglesias, referring to the possible establishment of a common market between Urguay, Argentina, and Brazil, said Uruguay views with great sympathy the progress made by Argentina and Brazil regarding economic integration.

During the past few days, government sources in Argentina and Brazil announced the establishment of the basis for a true subregional market will be formalized on 28 July, when Brazilian President Jose Sarney visits Bunenos Aires. The same sources disclosed that Urguay would join the agreement on 8 August, when President Julio Sanguinetti visits Brasilia, but Minister Iglesias did not confirm this.

The Uruguayan minister admitted that during the past few months the three governments have taken effective and historic steps toward integration.

He added that the consolidation of economic integration between these two countries (Argentina and Brazil) benefits the entire subregion, including Uruguay.

MINISTERS EXPLAIN 'REACTIVATION PLAN', WAGE HIKE

PY040310 La Paz Cadena Panamericana in Spanish 0000 GMT 4 Jul 86

[Excerpts] Through Decree No. 21,316, the Bolivian Government has raised salaries, created the National Employment Committee, and established procedures for the use of an $85.8 million loan.

The executive branch has thus put into motion its economic reactivation plan, which will supplement Decree No. 21,060.

In a news conference held at government palace, the ministers of finance, labor, transport, and information explained the government plan. The 10-page decree consists of 5 chapters and 31 articles. Through this decree, the government expects to promote economic reactivation, to reduce unemployment by 50 percent, and to make the best possible use of foreign loans. [passage omitted]

Commenting on the salary increase, Finance Minister Juan Cariaga said:

[Begin Cariaga recording] First of all, I would like to say that the Finance Ministry devoted long hours to studying the impact of this salary increase on the public finances. I want to assure all of you that this salary increase will not generate inflation because it will be duly financed through funds available at the National Treasury. In other words, this salary increase will not provoke price increases or changes in the dollar exchange rate, which has remained stable for the past 23 weeks. [end recording]

Labor Minister Walter Rios Gamboa commented on the creation of the National Employment Committee, designed to fight the high unemployment rate prevailing in the country.

[Begin Rios recording] I want to start by saying that the unemployment rate stands at 18.5 percent of a total estimated work force of 2 million people. This means that there are approximately 350,000 people unemployed. [passage omitted] [end recording]

[Paris AFP in Spanish at 0155 GMT on 4 July adds that "the government of President Victor Paz Estenssoro today approved a decree whereby it increased the national minimum wage from 30 million pesos ($15.7) monthly to 40 million pesos ($20.9)."]

OPPOSITION DENOUNCES ADN-MNR LEADERSHIP ACCORD

PY062204 Paris AFP in Spanish 1323 GMT 5 Jul 86

[Text] La Paz, 5 Jul (AFP) -- ADN [Nationalist Democratic Action] Deputy Edgar Barrientos has reported that the ADN and the Nationalist Revolutionary Movement [MNR], which received the majority of votes in the 1985 elections, have agreed to share the leaderships of the Chamber of Deputies and the Senate for the next congressional period.

Barrientos said it was agreed to have the Senate chaired by an MNR representative and the Chamber of Deputies chaired by an ADN representative.

Asked about announcements made by MNR leaders concerning negotiations with smaller parties, Barrientos said the agreement with the ADN was reached with the guarantee of Victor Paz Estenssoro, the president of the Republic and MNR leader.

In November 1985 Paz Estenssoro and ADN leader Hugo Banzer signed a democratic accord to implement a similar political-economic program within the framework of the constitutional process.

The opposition parties in Congress have denounced the MNR-ADN accord as a clear expression of their intention to monopolize Bolivian policy-making through bipartisan actions, thus denying other political organizations the chance to express themselves.

GARCIA MEZA ACQUITTED OF SELLING GUEVARA DIARIES

PY031555 Madrid EFE in Spanish 0033 GMT 3 Jul 86

[Text] La Paz, 2 Jul (EFE) -- Adalid Cuellar, president of the Military Court, today reported that former President Luis Garcia Meza has been acquitted of charges of selling the diary of Argentine-Cuban guerrilla leader Ernesto "Che" Guevara.

Guevara's diaries were sold by a military man whose name will be released at the conclusion of the military trial, Cuellar said.

The diaries of Geuvara and guerrilla leader "Pombo" are now at Sotherby's Auction House in England, from where the government intends to retrieve them.

The Bolivian Armed Forces had kept the diary since it thwarted Guevara's campaign in 1967, when he tired to extend guerrilla warfare in that country.

The Supreme Court is also trying Garcia Meza for several alleged crimes committed against individuals and the Constitution during his government (1980-81).

BRIEFS

FRG OFFERS FINANCIAL AID -- Foreign Minister Guillermo Bedregal has announced that, as a result of the FRG-Bolivian Joint Commission Meeting that opened in La Paz a few hours ago, the FRG has earmarked DM85.75 million for the reactivation of the Bolivian economy. He added that another DM32 million will be earmarked for the renewal of other projects. He also said the FRG will offer other funds for road construction and cottage industry projects. [Summary] [La Paz La Red Panamericana in Spanish 1130 GMT 4 Jul 86 PY]

FUNARO ANNOUNCES BOND ISSUE FOR FOREIGN FUNDS

PY090354 Sao Paulo FOLHA DE SAO PAULO in Portuguese 8 Jul 86 p 28

[Text] Brasilia -- Brazil will issue bonds and "commercial paper" to obtain funds on the international market. This announcement was made yesterday by Finance Minister Dilson Funaro, who said "this will have to take place in the second half of 1986 to normalize the domestic situation." According to the minister, the time is favorable for this type of initiative because "we are not experiencing a crisis."

"This is a test Brazil has to conduct," said Funaro, recalling that notes or securities from the Bank of Brasil and the national Treasury may be issued. According to the minister, this matter will have to be discussed in September when he plans to go to Europe, one of the markets Brazil intends to reach in addition to Japan and the United States.

Funaro said that some contacts have already been made with the banks of some countries and that the contacts were positive. "They are beginning to open credits for Brazil," Funaro stated, adding that 2 years ago, all export and import banks were closed to Brazil. Funaro said not it is necessary to verify "whether this market exists and, if so, we want to do business."

EBN PRESIDENT, SUPERINTENDENT APPOINTED

PY090332 Rio de Janeiro O GLOBO in Portuguese 8 Jul 86 p 6

[Text] Brasilia -- Justice Minister Paulo Brossard has reported President Jose Sarney yesterday signed a decree appointing journalists Rui Lopez and Luiz Recena Grassi as Brazilian News Agency (EBN) president and superintendent, respectively.

Rui Lopez, former chief of the Brasilia bureau of the newspaper FOLHA DE SAO PAULO and current adviser to the office of Senator Severo Gomez (Brazilian Democratic Movement Party -- Sao Paulo), will replace journalist Carlos Marchi, who resigned Friday. Luiz Recena, who was born in Uruguaiana, Rio Grande do Sul state, is already working with the EBN and is acting president of the National Federation of Journalists. Brossard said the appointment of the two journalists followed his "personal selection," based on their "competence and qualifications to inspire confidence."

BRIEFS

OIL FIELD DISCOVERY -- Petrobras has discovered an oilfield 3.5 km northeast of the Corvina field and 83 km from Cape Sao Tome. The 8-square-km field has an estimated reserve of 44 million oil barrels. A 273-meter well has yielded 2,200 barrels of oil daily in the new field. The oil is of 29 degrees, by American Petroleum Institute standards. [Summary] [Rio de Janeiro O GLOBO in Portuguese 5 Jul 86 p 20 PY]

EXPLOSION BLACKS-OUT PORT AFTER PINOCHET DEPARTS

PY100321 Paris AFP in Spanish 0259 GMT 10 Jul 86

[Text] Talcahuano, 9 Jul (AFP) -- A bomb explosion tonight caused a blackout in the Chilean port of Talcahuano, 530 km south of Santiago, just after President Augusto Pinochet departed for Concepcion.

The blackout, which affected a wide section of downtown Talcahuano, occurred at the conclusion of a ceremony organized by the National Action Movement, at which Pinochet was the main speaker.

The police indicated that the partial blackout was caused by a bomb explosion that damaged powerlines in the downtown sector. There were no casualties.

The attack occurred as the president was returning to Concepcion on the 3d day of his visit to this agro-industrial region in south-central Chile.

No organization has claimed responsibility for the attack, although similar attacks have been claimed by the clandestine leftist Manuel Rodriguez Patriotic Front (FPMR), which advocates armed struggle against the military regime.

'VIOLENT INCIDENTS' DISRUPT STUDENT'S FUNERAL

PY091739 Paris AFP in Spanish 1633 GMT 9 Jul 86

[Text] Santiago, 9 Jul (AFP) -- Violent incidents broke out here today during the funeral of Rodrigo Rojas De Negri, a student who died on 6 July from burns suffered when he was set on fire during the 2-3 July demonstrations against the government of General Augusto Pinochet.

Carabineros attacked with tear gas and water cannons nearly 3,000 people who were marching in a funeral procession to the General Cemetery after an outdoor requiem mass held at the El Salvador Church.

According to AFP correspondents who witnessed the incidents, the trouble started when some youths began to protest the presence of Carabineros peronnel, who were watching the funeral.

Relatives have blamed a military patrol for the attack on Rojas and on student Carmen Quintana Arancibia, who was also seriously burned, but the Chilean Goverment has rejected the charge.

STUDENTS KIDNAPPED, BURNED IN VALPARAISO

PY100228 Santiago Radio Chilena in Spanish 2300 GMT 9 Jul 86

[Excerpt] Another man has been sprayed with flammable liquid in the Fifth Region. I am going to read a report on this incident published today by LA SEGUNDA.

The article is entitled "Another Case of a Man Kidnapped and Burned in Valparaiso." The victim, who was hospitalized in Vina del Mar, was a computer student. He was kidnapped last night by unidentified individuals on Conde Street in Valparaiso. He was then taken by car to Concon, where he was released, but he was kidnapped again a few minutes later by the same individuals, who took him in another vehicle to the international road sector near the Rotonda in Concon.

The kidnappers then beat him up, sprayed him with a flammable liquid, and set him on fire. LA SEGUNDA reports that the Carabineros precinct in Vina del Mar identified the victim as Mario Antonio Araya Marchant, 24, who lives on Cerro Larrain Street in Valparaiso. [passage omitted]

OPPOSITION LEADERS REJECT ACCORD WITH COMMUNISTS

PY062250 Paris AFP in Spanish 1635 GMT 6 Jul 86

[Text] Santiago, 6 Jul (AFP) -- Chilean Christian Democratic [PDC] and Social Democratic leaders have rejected the possibility of achieving a political agreement with the Chilean Communist Party, although they admitted that the three political parties agree that the government of General Augusto Pinochet must end.

The Christian and Social Democrats are members of the moderate Democratic Alliance [AD] coalition, while the Communists head the People's Democratic Movement [MDP] along with a branch of the Socialist Party and the MIR [Movement of the Revolutionary Left]

MDP leaders had reported that the AD and the MDP would soon reach an agreement on a single proposal to find a solution to the constitutional crisis that Chile is experiencing after the two blocs supported the 2-day national stoppage held on 2 and 3 July.

But PDC Vice President Gutemberg Martinez has said the PDC will not sign any agreement with those sectors that promote violence, which means that there is no possibility of an agreement with the Communist Party. The PDC leader made this statement in an interview published today in the newspaper EL MERCURIO.

Martinez said it is necessary to establish negotiations with the Armed Forces. These negotiations should lead to a provisional government that could last 1 or 2 years, after which the country would have a freely-elected president.

Social Democratic leader Rene Abeliuk has said that at this time there is no possibility of achieving political pacts or agreements with the Communist Party.

But, he added, we obviously agree with them in that we want an end to the military regime and a return of the democratic system.

In a statement made on 4 July, President Pinochet alluded to an eventual agreement between the Marxist and moderate sectors. He warned that it seems some want to establish the Nicaraguan model in Chile, but the question here is whether to have order of chaos.

Pinochet warned that Chile does not want either anarchy or revolutions and noted that the Armed Forces will continue to guarantee the enforcement of the 1980 Constitution, which has extended his presidential term until 1989.

VALUE-ADDED TAX TO PROTECT DOMESTIC INDUSTRY

PY012005 Santiago Domestic Service in Spanish 2300 GMT 30 Jun 86

[Text] The Finance Minstry will impose a 5, 8, 10, 12, and 15-percent value-added tax on subsidized imports that seriously harm the domestic industry because of their artificially low prices. This decision has been enforced through Law No 18525, which establishes several regulations for the importation of goods.

The law, published in the gazetter, establishes that the president will decide what goods will pay the tariffs or reciprocal duties. Taxes will not remain in force for over 1 year. An Advisory Committee will be created, chaired by the director of Operations of the Chilean Central Bank, and will have the following members: The Central Bank auditor, the Central Bank Project Department manager, Economy and Finance Ministry representatives, the Custom Department director, the Foreign Ministry Economic Relations Department director, and the State Auditor.

The law states that the Committee will investigate charges of price distortion on the world market. If the Committee undertakes an investigation, it will recommend the minimum prices, tariffs, or reciprocal duties that will apply in the case of imports with artifically low prices.

Article 1 of the law conveys the spirit of the law, stating that all imported goods must pay tariffs and all applicable taxes.

ARMY REPORT CONFIRMS EXECUTIONS IN PRISONS

PY091902 Paris AFP in Spanish 1805 GMT 9 Jul 86

[Text] Lima, 9 Jul (AFP) -- Peruvian Congressional sources have unofficially reported that a secret Armed Forces Joint Command report admits that 89 Shining Path guerrillas were executed at the Luringancho Prison during the prison riots last month in Lima.

The document, which was presented 2 days ago to the Congress, says Republican Guard Colonel Rolando Cabezas was responsible for ordering 52 policemen under his command to undertake the operation on 19 June.

Since the public denunciation of the executions by president Garcia, the Peruvian Congress has been investigating the tragic events. The first document to be discussed in a closed session was the one drawn up by the Armed Forces Joint Command.

Initial conclusions of the report say that 133 prisoners died in the 3 prisons, as well as 4 soldiers, but it is also admitted that the number of dead is probably greater because many bodies have still not been able to be removed from the rubble of El Fronton Prison, which was shelled by the Navy.

According to congressional sources, the report states that personnel from the 501st Operations Batallion of the Army were sent in support to the Luringancho Prison, but were not authorized to intervene in the riot.

ANTIDRUG OPERATION NETS 14 PLANES IN TINGO MARIA

PY062309 Paris AFP in Spanish 0154 GMT 5 Jul 86

[Text] Lima, 4 Jul (AFP) -- Interior Minister Abel Salinas reported here today that the police have destroyed 144 landing strips and confiscated 14 planes used by drug traffickers. He said that this occurred during an antidrug operation carried out over the last few days.

Salinas said that trained police troops also confiscated 46,000 kg of cocaine base; 400,00 kg of coca leaves; and about 120 different kinds of guns. In addition, about 100 kg of chemical products used by the cocaine manufacturers were confiscated.

The interior minister added that the police found about 2 million intis ($11,764) aboard an aluminum motor boat.

The operation was carried out in the Uchiza jungle area, near the city of Tingo Maria, located at 600 km northeast of Lima.

LUSINCHI CITES ACHIEVEMENTS ON INDEPENDENCE DAY

PA051904 Caracas Television Service in Spanish GMT 5 Jul 86

[Speech by President Jaime Lusinchi on Independence Day, from the federal palace in Caracas -- live]

[Text] Citizen president of the Congress of the Republic; citizen vice president of the Congress of the Republic, citizen president and members of the Supreme Court of Justice; citizen president and members of the Supreme Electoral Council; citizen president and members of the Judiciary Council; citizen vice Admiral Wolfgang Larrazabal, former president of the Government Junta; citizen ministers, members of the Executive Cabinet; citizen governor of the Federal District; honorable National Congress senators and deputies; Your Excellency and most reverend Apostolic Nuncio, senior member of the diplomatic corps; your Excellencies, Ambassadors of friendly countries; honorable Charge d'Affairs; citizen attorney general of the republic; citizen officers, members of the Military High Command, citizen secretary of the National Security and Defense Council; citizen president of the Federal District Municipal Council; citizen president of Sucre District, Estado Miranda, municipal council; citizen presidents of autonomous institutes and state enterprises, citizen deans of the national universities; citizen presidents and directors of the national academies; your excellencies and most reverend auxiliary bishops of Caracas; citizen representatives of the media; distinguished guests; fellow citizens:

The commemoration of our independence is always an appropriate time to stop along the way and reflect on the country's situation, the path undertaken by the democratic government, and Venezuela's perspectives in these difficult times. I do not exaggerate when I say that we, the Venezuelans, are a privileged people because we have an inexhaustible source of historic inspiration: Our struggle for independence glorified by the heroism of our foregathers, and in particular, by the perserverance and inspired vision of our liberator, Simon Bolivar.

The most important lesson learned from this process and the efforts of those men and women who made personal sacrifices during this independece struggle is very simple and important. Nations are built by overcoming difficulties, challenges, and changes. A country with a legacy such as ours cannot resign itself and wait for the future; it must build it.

Since the day of our independence, Venezuela has experienced complex and not always encouraging times. However, today we can say that, despite all the difficulties, the homeland has found a very significant way to express our people's feelings. We have strengthened the democratic order, and the ever-present challenge is based on confronting the obstacles we may encounter, always protecting our supreme value of freedom.

At a time like this, it is important to review the situation and make plans for the future. The government's fundamental duty is to evaluate the situation of the country with a sense of criticism and self-criticism. We are bent on re-examining the state's domestic and foreign actions, to reaffirm its dignity, and achieve the people's trust in the system we chose and its institutions.

In this stop along the way I can humbly and firmly say that we have put our own house in order. With serenity and prudence, my government not only curbed some of the crucial aspects of the crisis that was affecting the country, and which affected key state institutions, but also firmly reaffirmed a path toward the stability of our political order.

The rulers of a democratic country must act with a vision of the future. When I was sworn in, I mentioned that there would be a continuous national deterioration if we did not act on time and with courage to prevent this. I say it again and without boasting, the measures we adopted, based on a political policy balanced between cautiousness and boldness, have contributed to protecting democracy from serious danges and recovering a sense of dignity for the government efforts. Venezuela is now capable of confidently building its future. The defense of democracy, as a system of government, and the rejection of authoritarianism continue to be our main goals. The moving moments of my meeting with the children of the political refugees from other Latin American countries are very vivid in my mind. I met with these children and shook their hands during my trip to South America. In our country they found love, work, and freedom. When I met with them I realized the importance of our democratic order. We must never alter our purpose of protecting it and we must prevent, at all costs, the return of our nation to such terrible situations that have harmed our countries and affected Latin America's role [proceding word in English] in world polictics.

The democratic governments of Latin America now have to strengthen their societies, their economies, and the rules of the political game, in very unfavorable condititions, to tell the truth. Venezuela is deeply involved in the process of building a hemisphere sown with the seed of freedom and driven to development with a social sense. Our solidarity with the best Latin American causes cannot be questioned.

Democracy is not perfect. This has never been denied. However, it offers the possibility for gradual improvement in every order through dialogue and agreement of ideas and positions. The imperfections of democracy cannot be blamed on the system per se. Democracy establishes a framework for changes without the use of violence, and if this framework is broken and divided the responsibility rests on the people of that country, in their limitations, and not on democracy itself.

All false modesty aside, Venezuela can give its brothers of the contintent an example and a message. The example has to do with the creation of a group of rules for political struggle. These rules were accepted by the government,. as well as the opposition, and are aimed at overcoming the differences without harming our stability. Our message speaks of the need for the democratic governments to act for the good of the nation and put aside all other interests, and calls on the opposition to act with responsibiltiy, with a long-term vision, and without attempting to gain temporary political benefits by means of superficial and demagogic criticism that in the end only harms us all.

This concept of state is the one that we have tried to reinforce in our foreign actions. We have consolidated the sense of diplomacy of the Venezuelan foreign policy and it must serve -- and under my government it has served -- the interests of the nation rather than the interests of a party or group.

The foreign policy promoted by this government is the foreign policy of the Venezuelan state. It is open, in practice, to consultations, dialogue, and debates for its fourmulation and implementation. This is a coherent and firm foreign policy. It is not rhetoric. We act with moderation and prudence, which are essential factors in the international activities of a serious and democratic country.

I will repeat this: We uphold a state-minded diplomatic and political position in our foreign policy and we will keep it this way.

For years our country had unfortunately existed on a continent where authoritarian regimes prevailed. We can still see some dark spots, tragic dictatorial regimes on the Latin American map, and why not say it, we can also see serious threats to liberty.

We emphatically reject all attempts to return to the past in support of dastardly interests. We will remain alert with solidarity. All and all, the tendency to democracy has been growing and the ambitions of liberty of our nations are becoming irresistible.

The new democracies and others that, like ours, have existed for decades, should unite and support political advances with increasingly solid social and economic development.

Bolivar's integrationist idea gains relevance as time goes by. It is not an illusory desire or simple historic invocation, but a specific objective of great economic and geopolitic importance.

From the point of view of Venezuela, Latin America appears like a space for natural historic, geographic, political, social, and economic communication. We have decided to promote joint and united efforts among our nations. We realize that integration is a necessary process that presents difficulties.

We have to lay the foundations for an economic and political community based on practical concepts that should become specific initiatives which may be effectively backed and which take into consideration the true situation of our markets, production capabilities, and development priorities.

The growing rapprochement among our nations can yield fruits only in a climate of regional peace.

Venezuela is firmly committed with diplomatic efforts aimed at restraining conflicts in the Central America area and at channeling them toward moderate solutions, based on negotiations, reconciliation, mutual tolerance, and the consolidation of democratic regimes respectful of human rights.

In addition to the positions of solidarity that make us close to the Central American people, what is happening there has undeniable political and strategic importance for Venezuela. However, we don't view ourselves as main actors in the Central American drama. Our role in that area has been clearly treated by my government in the context of relations among states. We have given a diplomatic sense to our presence and we have united our efforts with those of other states to participate in a common project of peace and understanding.

The countries of the Contadora and Support Groups have tirelessly made efforts to reduce tension in the area, to keep the path of dialogue open, and to have reason prevail over force and intransigency.

We have not acted with quixotic motivations, but in line with a cold and careful analysis of the roots of the conflicts affecting the region and of the factors acting on it, because we believe that warlike options, which sometimes are tempting from a short-term point of view, are unfailing stimuli for continued instability and for the emergence of more, and worse, confrontations.

The Contadora initiative was new in Latin America, but there are precedents of subregional cooperation organizations in other parts of the world. Such organizations were created to restrain and minimize conflicts in their repsective geographic areas, to control foreign meddling, to facilitate equitable solutions, and to prevent an increase in tension.

The success for failure of these initiatives can be noticed in many fields and at different moments.

Venezuela's objectives are still the same: to avoid war and to promote peace in a democratic context. We will persist in our search for peace this way because we are convinced that only through multilateral work will we be able to effectively influence events in the area.

With the same firmness with which we reject war and all kinds of warlike interventionism, we also expect to secure solid guarantees for democracy and liberty in the region.

I believe it is timely to reiterate our respect for the principles of international law and our rejection of the use of violence as a tool in international relations. It is precisely the most powerful states that are most obliged to defend the norms that must rule civilized relations among countries.

Disregard for international law mechanisms is an alarming sign, an unmistakable sign of deterioration and of unforseeable grave consequences.

Venezuela's behaviour as a member of the UN Security Council is one of total abidance with the UN Charter, with the principle of mutual tolerance and respect among member states.

We will constantly defend the concept of international relations based on the principles of equilibirum, moderation, and harmonious coexistence.

For this reason we are actively participating in all the efforts aimed at stopping the senseless nuclear arms race.

Now I want to state our firm support for the initiatives of the heads of state and government of Argentina, Greece, India, Mexico, Sweden, and Tanzania, who will be meeting in Mexico City soon to continue a truly constructive dialogue in favor of important aspects having to do with nuclear disarmament.

In pondering our foreign policy, we must refer to the Caribbean. Venezuela makes a great efforts to maintain relations of friendship and cooperation with the Carribbean states.

We have made notable progress in delimiting our sea boundaries with various Caribbean states and we have strengthened the ties that link us to them with specific efforts in the political, economic, and cultural fields.

We were particularly pleased with the visits of the prime ministers of Trinidad-Tobago, Aruba, ard Dominica; the multiple contacts which have brought us closer to other states in the region; and the dialogues which I had the opportunity to hold with the prime ministers of Grenada, St. Vincent, St. Lucia, and the Bahamas, when the Caribbean Development Bank recently held its assembly in Caracas. In most of the cases these are young states which have barely begun an independent existence and which, given their sizes and conditions, are facing special challenges for their security and socioeconomic development. We have advocated joint actions with all these countries, based on the principle of shared responsibility.

Venezuela does not pursue hateful hegemonies. It extends its hand in support of these states, based on the democratic values which guide our political policy. There are also the principles which guide Venezuela's relations with its close neighbors: Colombia, Guyana, and Brazil. We are convinced that the differences which may exist concerning border issues can be resolved through a direct dialogue, based on mutual respect. We believe in relations that are based on mutual trust.

The border issue is complex and sometimes liable to manipulation and distortion, and not always for good reasons. That is why I must clearly state that Venezuela cannot and will not give up its deeply-rooted vital interests. However, we will continue with our efforts to establish structures of solidarity at various levels with our neighbors. Consequently, we must modernize and bring the debate on our border issue out of its stalemate. Criticism alone is not enough; all the details of the problem are well known. It is now necessary to make positive proposals which are not based on opportunism, and really decide to attain a national consensus which leads to the appropriate solutions.

We greet the dignified and democratic transition in Columbia, a sister nation with which we have many links. Likewise, we are satisfied with the obvious improvement in our relations with the Cooperative Republic of Guyana. The nation's sincere vocation for dialogue was proved by its president and we are encouraged to renew efforts for a rapproachment, cooperation and for rational and wise solutions to our current differences. Regarding Brazil, we are engaged in all overall effort for rapproachment and trade. We are aware of this enormous potential of this and hope to strengthen the lines which units us. A democratic Brazil engaged in all overall economic development program is undoubtedly a factor which contributes to th continent's geopolitical stability and progress; and strengthens liberty in this part of the world.

Venezuelans, men and women, I wish to briefly summarize the ideas which I have discussed, emphasizing once more that my government acts in accordance with a good understanding of national dignity and the values of democratic stability. We fervently believe that we have restored professionalism to the country's foreign policy, and we have given it the character of a state policy that is above personal interest and simple ideas about the complex international situation. This government is not overly pretentious; our pride is actually based on the fact that we have given democracy renewed strength, in accordance with a clear awareness of priorities.

Whenever it is necessary to make adjustments and adapt to a new situation, my government's main goal will be the achievement of a democratic development...[3-second break in reception] without traumas, within a framework of stability and growing confidence in a future of welfare and security for all the Venezuelans. We have had to face the severe problems that we inherited, and we are doing so with tenacity. We have countered apocalyptic situations and have serenly risen to the challenge of our debt and the drop in oil prices, responsibly establishing a negotiation framework that allows us to fulfill national pledges, while continuing with out national efforts for economic and social development. I am convinced that most Venezuelans understand and support the essence of my government's effortse. It is a matter of turning a Venezuela based on a fictitious bonanza and unrestrained excesses, into a Venezuela that is based on creative work, austerity, and indestructible democracy efforts.

We have done what we had to do. We could not have avoided sacrifice to complete the transition. As democrats, we accept criticism and know that our course of action has limitations and that it can be perfected. At the same time, we reassert our conviction that we work for the good of the country and the people.

Fellow citizens and representatives of friendly government and peoples: We commemorate our independence on this 5 July, yet we also commemorate the 160th anniversary of an important event in the history of Latin America's international relations, namely, the Amphyctionic Congress of Panama held in 1826 and convoked by Liberator Simon Bolivar. As of this congress, Latin American peoples took the initial steps toward unity and accord. History has registered this event as the starting point of the multilateral experience that today allows developing peoples to struggle for their rights more consistently and systematically.

Let us then confirm our faith in the principles that led Bolivar to this restless struggle for the unity and sovereignity of our countries. The times of the holy alliance — more of an alliance than it was holy -- have been left behind. Bolivar and the great heros and thinkers of our peoples marked the path for us. Today, 160 years after that visionary event, our task is to tread that path with modesty, equilibrium, and determination, now that freedom and the principle of unity are strengthened and renewed in our peoples.

I would like to conclude with a message of healthy optimism, with our hope, as usual, for a Venezuela that is free, prosperous, stable, vigorously democratic, and willing to make a joint effort with all friendly countries in the search for good will and creating harmony. To our people and all the peoples of the world, cheers and freedom. [applause]

USSR DEPUTY MINISTER CONDEMNS U.S. CONTRA AID

PA090451 Caracas EL NACIONAL in Spanish 1 Jul 86 p D-20

[Report on news conference given by Viktor Komplektov, Soviet deputy foreign minister, at the Foreign Ministry in Caracas; date not given]

[Text] USSR Deputy Foreign Minister Viktor Komplektov has condemned the U.S. Government for giving support to the contras in Nicaragua, because such aid obstracts the Contadora peace efforts.

After a long conversation with Venezuelan Deputy Foreign Minister German Carrillo Nava and Foreign Ministry officials, Komplekotv, who will be in Venezuela for 3 days, talked to journalists in one of the rooms of the Foreign Ministry headquarters. After emphasizing the need for these talks at a Foreign Ministry level, he condemned the U.S. position when answering the journalists' questions.

"We condemn such a decision against the Contadora efforts," he said.

At the beginning of the conversation, Deputy Foreign Minister Komplektov commented on the reasons for his visit:

"The objectives are simple. This is my first visit to Venezuela and in this regard our interest is very significant. Generally our objectives is to maintain the permanent political dialogue that exists between the two countries regarding the importance of certain international problems and the importance of being able to agree on the solutions for these problems. We believe a dialogue is a way to seek a reapproachment between two countries in search of the solutions to the problems that concern us."

The deputy foreign minister talked about the need to strengthen the ties between Venezuela and the USSR.

"I can say," he added, "that our two countries may have different views on international problems, but they understand the need to find solutions to these problems."

Later he talked about the topics mentioned in the conversation and said:

"We talked about the problems of security and the possibility of reducing the danger of a nuclear war. We know about and appreciate the Venezuelan foreign policy initiative and we also know about its participation in international problems and institutions such as the UN Security Council, disarmament meetings, and Contadora, and we share many points of view. We have informed them about the USSR's position regarding the proposal for arms reduction and the need for peaceful and bilateral cooperation for space exploration; arms reduction and disarmament may contribute to the investment of important financial resources that could benefit humanity."

[Question] What does your country think about contadora's future after the U.S. Congress has approved more aid for the contras?

[Komplektov] We decisively condemn the attitude of the U.S. Congress because it in no way contributes to a political and peaceful solution to the Central American problem or to the crisis. The attitude of the U.S. congress is directed against the Contadora peace efforts, which have international support.

ARANIAN ENVOY INVITES LUSINCH FOR VISIT

PA011710 Caracas Television Service in Spanish 0000 GMT 1 Jul 86

[Text] In Caracas, Iranian Ambassador ('Ali [name indistinct] Manshandi) has met in Miraflores with President Lusinchi. The diplomat made official an Iranian Government invitation for Lusinchi to visit.

Following the meeting, the Iranian ambassador said his country, as an OPEC member, will respect any decision made by that organization as long as it benefits all member countries:

[Begin recording] We are trying to stop the drop in oil prices. We must make all efforts to prevent oil prices from dropping lower than current levels. We must make decisions to ensure such a policy. [end recording]

DE LA MADRID SAYS ELECTIONS REAFFIRM REVOLUTION

PA091711 Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 9 Jul 86

[Report by Humberto Mares]

[Excerpt] President Miguel de la Madrid said during a working tour of the Federal District that the Mexican people have reaffirmed their belief in the doctrine and the ideology of the Mexican revolution through the electoral process.

The president carried out a working tour of four neighborhoods in the Federal District during which he inaugurated 95 billion pesos worth of transportation and road projects. Speaking to the members of the National Chamber of the Transportation and Communications Industry, the president said that by consensus, Mexicans have decided to reaffirm our belief in a more just and egalitarian society and in our independence and national sovereignty.

[Begin de la Madrid recording] We have also confirmed our belief that we want to continue to be a society of free men, a society based on democracy where power comes from the big majority, where the citizens are protected from arbitrary actions within a de jure state, where each person can fulfill his own destiny in accordance with his own will, and where each person can believe in what he wants to believe, without threats or coercion. [end recording]

President Miguel de la Madrid added that freedom of conscience exists when there is no attempt in a society to impose beliefs or ideologies through coercion. The president reiterated his belief that we are a strong people who do not let themselves be defeated by difficulties. [passage omitted]

Vote Counts Updated

PA091531 Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 9 Jul 86

[All figures as heard; passages between quotation marks recorded]

[Text] The PRI has admitted in Chihuahua that it is losing in the preliminary vote count in Nuevo Casas Grandes and Gomez Farias municipalities. The same is occurring in Ensenada, Baja California. In the capital of Chihuahua, supporters of the National Action Party [PAN] used cars to block the main streets. Here are reports by our special correspondents on the post-electoral situation:

[Correspondent Emmanuel Haro Villa] "Artemio Iglesias Miramonte, president of the state leadership committee in Chihuahua, has reported that PRI gubernatorial candidate Fernando Baeza is leading his closest competitor, the PAN candidate, by 125,925 votes. The PRI has obtained 298,397 votes and the PAN 172,492 votes. The PPS [People's Socialist Party] candidate for Gomez Farias municipal president, and the PAN candidate in Nuevo Casas Grandes, are ahead of the PRI candidates. The PRI state leader said that his party will acknowledge the defeats:

[Iglesias Miramonte] "If the citizens say that this is the person they want to govern them during the next 3 years, then the PRI will have no other choice but to state with much sorrow that we did not do enough and that the victory falls to those who won."

[Correspondent Juan Manuel Pereyra] "New figures were released today on Sunday's elections in Michoacan to elect the governor and the local congress. Out of the 1 million PRI voters in the rural areas, 80 percent voted for the PRI. In the municipalities of (Tundiscatio), Arteaga, and Larzaro Cardenas, the PRI obtained between 85 and 90 percent of the votes. The PAN admitted that in the rural areas where the PRI is strong, the votes were not in its favor. PAN state leader Francisco Calderon said that his party will publicly admit its defeat in these elections."

[Correspondent Emma Galvan] "In Zacatecas, the PRI is leading, with 322,000 votes from 1,050 ballot boxes counted. This was reported by Carlos Rivera, the delegate of the PRI national executive committee in Zacatecas. So far, almost 90 percent of the 1,334 ballot boxes installed in the 56 electoral districts have been counted. The PRI victory in Zacatecas is confirmed by the vote count, Rivera said. While the PRI has obtained 322,000 votes, the PAN has obtained 9,200, the PPS 2,100; the PSUM [Unified Socialist Party of Mexico] 515; the PST [Socialist Workers Party] 625; the PRT [Revolutionary Workers Party] 275; the PARM [Authentic Party of the Mexican Revolution] 215; and the PMT [Mexican Workers Party] 35 votes. There are 925 invalid votes."

[Correspondent Daniel Miranda] "In the Baja California elections to choose 4 municipal presidents and 15 local deputies, 80 percent of the ballot boxes in the state have been counted. To date, the figures are as follows: In Mexicali, Guillermo Andres Tejada, PRI candidate to the municipal presidency, has obtained 74,638 votes, while the PAN candidate has PAN candidate has 36,552 votes. In Tijuana, Federico Valdes, PRI candidate for mayor, has 82,850 votes and Manuel Salazar of the PAN has 26,552. In Tecate, the PRI has obtained 6,144 and the PAN has 3,184. In Ensenada municipality, (Armando Ballinas Mayez), the PRI general delegate in Baja Claifornia, admitted that the PAN was leading at this time, but that 20 percent of the ballot boxes have yet to be counted."

PAN Protests Reported

FL091516 Bonaire Trans World Radio in English 1130 GMT 9 Jul 86

[Text] In Mexico, opposition activists took to the streets yesterday to denounce results of the weekend gubernatorial elections accusing the ruling party of fraud. As rush hour ended in the city of Chihuahua, supporters of the Francisco Barrio, the gubernatiorial candidate for the National Action Party or PAN blocked 17 busy streets in the first public protests of the weekend results.

FUNDS INCREASED FOR ANTIDRUG CAMPAIGN

PA090354 Mexico City EL NACIONAL in Spanish 3 Jul 86 pp 1, 6

[By Pedro Jimenez]

[Excerpt] The federal government has provided an additional 1 billion pesos for the antidrug campaign. With this, a total of 8.2 billion in resources will be used by the republic's Attorney General Office (PGR) in that effort this year. That office pointed out that such an increase in funds shows that Mexican authorities have not decreased the human, material, and financial effort to fight drug trafficking despite budget restrictions. [passage omitted]

CHINESE VICE FOREIGN MINISTER VIEWS DISARMAMENT

FL091554 Mexico City NOTIMEX in Spanish 0430 GMT 9 Jul 86

[Text] Mexico City, 8 Jul (NOTIMEX) -- Chinese Vice Foreign Minister Qizhen Zhu has said that China, like Mexico and other countries, requires peace for economic construction, development, and increased standard of living.

Upon speaking on the topic "China's Independent and Peaceful Foreign Policy" in the Matias Romero Institute, the official said his country, like Mexico, is in favor of prohibiting nuclear weapons and uniting peace-loving countries and peoples in the common struggle against another world war.

The Chinese vice minister also said his country is in favor of peacefully settling disputes through negotiations based on equality without the threat or use of force.

Qizhen Zhu said everything that contributes to world peace and stability can count on China's support, while every hegemonic act will be rejected, no matter where it originates or what form it takes.

China is in the process of modernization, said the official, and as a result needs a peaceful, lasting international environment. He added that unless nuclear weapons are greatly reduced, there will be no other alternative but to become defensive and break the monopoly and blackmail practiced by the superpowers.

The Chinese official stressed that independence and self-determination are basic principles of China's foreign policy and because of this, China will never be oppressed by the superpowers or by blocs of countries. China will not become an ally or establish strategic relations with any superpower, said the Chinese official.

CANAL COMMISSION SAID TO OWE $54 MILLION TO TREASURY

PA081845 Panama City MATUTINO in Spanish 8 Jul 86 pp 1-A, 6-A

[By Roberto R. Rodriguez]

[Text] The Panama Canal Commission owes the national treasury 54 million balboas [$54 million] from a number of surpluses over the past few years. With no explanation, the commission has not made the corresponding payments to the Republic of Panama according to the provisions established in the Torrijos-Carter Treaties of 1977.

Dr Carlos Ozores Typaldos, Panamanian member of the Panama Canal Board of Directors, recalled that in addition to the 54 million, there is another 11.7 million surplus produced during the 1985-1986 fiscal year. Ozores said they have noticed a tendency in the commission to spend that money "hurriedly" in order not to deliver that money and pretend there is a balance between the revenues and the expenses during the 1985-1986 fiscal year, which will end on 30 September.

Ozores state that these expenses "are not concealed" but are reflected in unnecessary overtime to avoid compliance with the agreed upon canal treaties.

The Panamanian member of the Board of Directors noted that this situation has been detected in time, and that there will be an "emphatic presentation" of this problem next Thursday at the Board of Directors meeting. Ozores also reported that the sum the Panama Canal Commission owes the Panamanian Government include 10 million balboas for general services such as garbage collection, firemen, and others.

Ozores emphasized: "This is money that belongs to us -- it is not a capricious position." Ozores added that given Panama's economic situation, it cannot allow other governments, in the this case the U.S. Government, to owe us large sums.

Ozores said another conflict that will be discussed with the commission and its president, U.S. citizen William Gianelli, is the refusal to deliver, as had been agreed upon, the financial report on the enlargment of the Culebra Cut. This leaves open and without any justification the decision to present the report in October, or during the first session in 1987, to be held in January 1987.

MATUTINO has learned that the report is ready, as are the technical and the feasibility reports, which may well be an "indication that the commission plans to delay the work and thus evade reponsibility for the cost of the work, which should be financed by the U.S. Government.

International Policy

Finally, regarding the dissatisfaction of PRD [Revolutionary Democratic Party] members over the lack of aggressiveness by the national government over the attacks and the need for a more firm defense, Dr Ozores said that the PRD will request changes in the Panamanian Embassy at the UN.

Foreign Minister on Payment

PA091612 Panama City MATUTINO in Spanish 9 Jul 86 pp 1, 8-A

[Text] Panama will demand from the U.S. Government the payment of some $60 million that it owes as a result of the annual surplus that has been registered in the Panama Canal Commisson since the Torrijos-Carter Treaties went into effect.

Yesterday, Panamanian Foreign Minister Jorge Abadia Arias said the Panamanian Government is already working in this regard, but that the demand will be made through diplomatic contacts.

Abadia added that to government team has been formed in order to deal with "a very old, reasonable, and fair demand." The group will act in a responsible and serious manner, without virulence, but with firmness.

This is a new attempt by the Delvalle government to recover the money. The matter was discussed during the last meeting of the Panama Canal Board of Directors in Washington. The board will meet in Panama today and the surplus issue will be brought up for discussion.

However, the U.S. Government refused to give the aforementioned sum of money to Panama, alleging that canal operations have not resulted in profits, but in a deficit.

Panamanian analysts believe the sum could increase, adding that certain decisions made by the majority of the Panama Canal Board of Director members prevent an in-depth examination of the financial records of the office that administers the canal, in order to conceal the measures adopted to finance the multi-million expenses of U.S. canal employees, which are not included in the treaty.

BELIZE

DUTIES INCREASED ON 83 TYPES OF GOODS

FL082202 Belize City THE BELIZE TIMES in English 6 Jul pp 1, 12

[Excerpt] In one fell swoop the Esquivel government imposed cruel tax increases on the Belizean public last Friday in a specially convened sitting of the House of Representatives, followed immediately in the afternoon by a meeting of the Senate. The prime minister increased custom duties on 83 different classifications of goods (affecting hundreds of items). The tariff increases averaged a 15 per cent additional tax in some cases going as high as 30 percent.

Most imported food products have been increased including those which we do not produce locally but which have become part of the Belizean diet. Luncheon meat will now pay 30 percent duty. So too will vegetables, fresh and chilled (including tomatoes, carrots, sweet peppers, cabbage, string beans, other peas and beans, lettuce).

Most spices have been raised to a 40 percent duty (30 plus 10) including pimento, cinnamon, cloves, nutmeg, rhyme and ginger. Even the price of table salt will go up by 15 percent as a result of these painful revenue measures. Sugar confectionary (for cakes) will now pay 55 percent, biscuits -- 45 percent, cocoa -- 45 percent.

Fertilizers too will go up by 15 percent -- a direct added cost to farmers (of course the very big boys will not be affected, they enjoy duty free concessions. It is the small and medium sized farmers who will pay).

Construction materials, vital to home building such as steel, wire mesh, plywood -- those too have been increased by 15 percent. Paints will now pay 60 percent duty.

Household items did not escape the new raise-up taxes. Soaps will now pay 45 percent. So too will sanitary napkins. Refrigerators -- 50 percent, air-conditioners 45 percent, radios and t.v.'s -- 60 percent, stoves -- 60 percent.

Exercise books, greeting cards and office supplies were also hit with the new tax measure. These include filing cabinets, paper, files, and envelopes.

These massive tariff increases, now come shortly after the UDP administration twice raised the stamp tax on imported goods from 8 to 12 percent. This across the board 12 percent will now be added on after the new custom duties are included in the value of the goods. After the merchant has added on his percentage margin of profit, a 15 percent tax increase will lead to a much higher increase than 15 percent on the shelf price of the goods.

The government's declared excuse for these new tax measures is to align the custom tariffs to protect Caricom goods. [passage omitted]

COSTA RICA

MINISTER ANNOUNCES ANTI DRUG OPERATIONS

PA091339 San Jose Radio Reloj in Spanish 0100 GMT 9 Jul 86

[Text] Public Security Minister Hernan Garron has reported that a series of operations will begin in our country to fight drug trafficking. The United States Drug Enforcement Agency will cooperate in these operations, Minister Garron said. The cooperation will include some airplanes and boats, which will be used for the investigations that will soon be carried out, the minister added.

Our country's naval fleet will also be used to fight drug trafficking, it was stated by Public Security Minister Hernan Garron. He added that even though the cost of operating the fleet on a constant basis will represent an expense of 800 million colones, the sacrifice must be made. Furthermore, naval bases in Caldera and Molina will be built for this project, the security minister added.

The struggle against drug trafficking is difficult, and it worsens every day, Garron said. He added that it is difficult given the interests which prevail and the amounts of money involved. He said this is a worrisome problem because bribes are used to operate in our country, particularly is more evident concerning the use of private airports.

Garron added that the struggle against drug trafficking is constant and firm, and nothing will stop the narcotics agents. Likewise, he said that even though they do not have enough resources, they have no qualms about continuing with the struggle with firmness.

EL SALVADOR

CUBANS, LIBYANS BANNED; NICARAGUA RESTRICTED

PA100313 Panama City ACAN in Spanish 2148 GMT 9 Jul 86

[Text] San Salvador, 9 Jul (ACAN-EFE) -- It has officially been reported that the Salvadoran Government today banned the entry of Cubans and Libyans and restricted that of Nicaraguans into El Salvador.

Rene Garcia Araniva, director general for immigration, reported that the measure was taken because a group of Cubans, with visas from the Salvadoran Consulate in Panama, entered the country recently and then mysteriously disappeared.

Only Cubans residing in the United States and who have received a visa in that country will be allowed to enter El Salvador. No Libyans will be allowed to enter the country.

The measure also restricts the entrance of Nicaraguans. Garcia said, however, that in this case "we cannot be adamant" due to the agreements with the UN High Commissioner for Refugees, UNHCR.

Garcia added: "El Salvador cannot close its doors against Nicaraguan refugees who flee the Sandinist regime."

According to the official source, Nicaraguans can enter Salvadoran territory provided they have a special permit given to them by the Interior Ministry, of which the General Immigration Directorate is a part.

HONDURAS

LOPEZ CONTRERAS ON GREEN BERETS TRAINING CONTRAS

PA092033 San Pedro Sula TIEMPO in Spanish 8 Jul 86 p 2

[Text] Tegucigalpa -- The government "has not authorized the operation of the Nicaraguan counterrevolution in the country." Therefore, "it cannot allow the training of the anti-Sandinists by the Green Berets in national territory," Foreign Minister Carlos Lopez Contreras said yesterday.

Moreover, he said that he does not agree with an apocalyptical version of the Central American crisis and said he is in favor of the OAS intervention in the conflict only if it deteriorates into a confrontation between nations.

Lopez Contreras said: "The main characteristics of the crisis, besides underdevelopment, are the internal rather than international conflicts in the countries." He added that "somehow the (latest) solution proposed by Contadora has had a (disruptive) effect on the nations."

Lopez Contretas also said that "Contadora now has few prospects" and noted that he has warned that new Colombian President Virgilio Barco Vargas is in favor of taking the conflict to the OAS.

The Honduran foreign minister is in favopr of this idea "only if the Central American situation develops into a conflict between joint forces of the United States and one nation, and armed forces of another."

Lopez Contreras said that should the situation continue as it is now -- internal conflicts in the countries, according to the description -- it will be necessary to have a regional initiative among presidents or at the foreign minister level.

Asked whether or not the Honduran Government will allow the training of contras by the Green Berets in national territory, Lopez Contreras responded:

"The government cannot allow that, because it has not authorized the operation of the counterrevolution."

U.S. TROOPS ACCUSED OF CHEMICAL WEAPONS USE

PA090043 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 8 Jul 86

[Text] We have a report for the INTER PRESS SERVICE agency: A former rector of the National Autonomous University of Honduras [UNAH] has accused the U.S. troops of using chemical substances against Hondurans who oppose the Reagan administration's foreign policy. Juan Almendarez, who was rector of the UNAH between 1981 and 1984, said that the U.S. soldiers stationed at Palmerola Air Force Base in Comayagua used unidentified chemicals in an attempt to disrupt the Honduran Women's National Assembly for Peace.

Almendarez, who is a physiology professor at the medicine faculty, has revealed that the women who were protesting the presence of foreign troops were victims of a chemical substance which immediately provokes psychic disturbances. He said that the red dust is a substance which irritates the respiratory system, eyes, and several parts of the body. A total of 600 persons were affected by the substance while holding a demonstration in Comayagua's central park 86 km north of Tegucigalpa.

The Palmerola Air Force Base is located on Comayagua's outskirts with more than 700 U.S. soldiers permanently stationed there. The assembly for peace was organized by the Visitacion Padilla Women's Committee, a group of women who demand a stop to the foreign military intervention in Honduras.

Almendarez added in his report that several Hondurans affected by the substance are still suffering certain diseases, such as conjuctivitis and bronchial disorders, although the incident took place on 28 June. The former rector also commented that the presence of U.S. soldiers and anti-Sandinist contras is causing changes in the Honduran people's health. He said some of the diseases which have been imported include the Acquired Immune Deficiency Syndrome or AIDS, urethritis, Flower of Vietnam, and a type of malaria that is resistant to the medicines normally used.

Almendarez said the U.S. soldiers and the contras are not subject to the Public Health Ministry's control, and added that insecticides which have been banned in the United States are being sold in Honduras. These include hexachlorobenzene, Bicloran 240, and others.

The Armed Forces have stated that these reports are groundless and merely aimed at undermining the friendly ties with the U.S. Government.

BRIEFS

NEW AMBASSADOR TO SPAIN -- Tegucigalpa, 2 Jul (ACAN-EFE) -- The Honduran Government today appointed Humberto Lopez Villamil, an attorney, as the new ambassador to Spain. Villamil will replace Ivan Romero Martinez, whom diplomatic circles have termed one of the best ambassadors Honduras has had in Spain. Lopez Villamil is a career diplomat, having served as ambassador to Chile, Peru, Bolivia, and Mexico and on other missions in Germany, the United Nations, and the OAS. [Excerpts] [Panama City ACAN in Spanish 1510 GMT 2 Jul 86 PA]

NICARAGUA

ORTEGA ADDRESSES MINE WORKERS IN CHONTALES

PA091300 Managua International Service in Spanish 0340 GMT 9 Jul 86

[Text] The U.S. Government should adopt a different attitude and advocate peace, Commander of the Revolution Daniel Orgega Saavedra has stated. The president recently addressed hundreds of workers of the La Libertad Mine in Chontales Department, some 150 km east of Managua.

[Begin Ortega recording] Of course, we cannot avoid taking about the aggression. We cannot avoid talking about the war. While we exert ourselves to make the country produce, while the workers and the state exert themselves to make these mines produce, but not to give the profits to a capitalist, a person, a family. The mine now belongs to a society, to the people, to the workers. Whatever is produced here will benefit all Nicaraguans, Nicaraguans in general will benefit from this mine. This will not make a person of a family get richer.

Well, while we are gathered here, exerting ourselves in the production sector, the U.S. Government and Congress have made decisions that are a veritable threat to the world's peace, and represent a direct action [corrects himself] -- a direct threat against the Nicaraguan people. You are all aware of the latest decisions adopted by the U.S. Congress, the approval of financial aid and weapons for the mercenary forces, the terrorist forces. You are aware that the International Court of Justice [ICJ] issued a ruling which proves that Nicaragua's position is just. It also proves that the U.S. Government's position is unjust because the United States is violating the law. The United States is acting as an international criminal because the ICJ could have ruled that the United States' behavior was correct and in accord with the law.

However, if the ICJ issues a ruling and clearly states that the United States has perpetrated and continues to perpetrate crimes against the Nicaraguan people, and must compensate the Nicaraguan people for the damges it has inflicted, and the U.S. Government replies by approving more weapons and money for the Nicaraguan people's killers, then the situation become complicated, the situation is more complex. The United States' actions represente an aggression against Nicaragua and an aggression against peace in the world This is an act against world peace. At the very least, to defend ourselves, Nicaraguans can adopt measures for the defense of our country, strictly enforce -- we have already said this -- the laws of our country, and firmly adopt actions for the defense of our revolution.

Furthermore, we have been compelled to adopt measures that [passage indistinct] but we did not adopt these measures because we like them. We do not want these measures, but it is necessary to enforce certain measures. What measures have we adopted? For example, we had to indefinitely suspend the publication of LA PRENSA is Reagan's newspaper. It is the newspaper of the aggression. It is the newspaper which defends terrorism. It is the newspaper...[changes thought] it is the spokesman of the U.S. intervention and iti s a newspaper which is financed by the U.S. Government, through the CIA. Consequently, we are in a situation of war and cannot allow this newspaper to continue to function because Reagan's messages are defended in our country through this newspaper. We had to suspend the newspaper for an indefinite period. The newspaper will be allowed to circulate when the aggression stops. It will be able to publish its pro-imperialist and pro-Reagan messages -- but the basic condition for this is what we no longer have a war in Nicaragua.

Consequently, we are not violating the freedom of the press in Nicaragua. We are not denying the free expression of ideas. We are avoiding the possibility that the United States' current aggression may become greater. The CIA is now free to continue carrying out the acts of terrorism which it carried out in previous years, when it blew up bridges, mines our ports, used Piranha boats to attack us, and attacked us with its airplanes. All that will undoubtedly return to our country, multiplied many times. Consequently, we continue to defend the freedom of press and freedom of thought, but we will not accept that all Nicaraguans' right to the freedom of press and thought be used to send a message in defense of terrorism and the counterrevolutionary actions. We cannot allow that. That is why we adopted the measure against the newspaper LA PRENSA.

Regarding the church, we are not enemies of any church in Nicargua. The government, the FSLN, is not the enemy of any church, we are not the enemy of any church [repeats himself]. We have never been the enemies of any church. We do not persecute religious ideas in this country. We will never persecute religious ideas.

We do not persecute the freedom to worship in this country; we will never persecute the Nicaraguans' right to freely exert their right to worship in this country. It is easy to ascertain today, Sunday [corrects himself] -- Saturday, how many masses were celebrated in the country. Dozens of masses were undoubtedly celebrated in the country, and masses will also be celebrated throughout the country tomorrow, Sunday, along with other religious activities. Therefore, the church is not persecuted in Nicaragua by the revolutionary government. In Somozist times, in the Somozist past, well, the situation was different. The Somozists even murdered some priests, like Father Chico Luis in Esteli, and Gaspar Garcia Laviana. These priests were murdered by the Somozists because they were on the people's side. Following the revolution, the people's beliefs and religious worship have received all the support of the FSLN and revolutionary government -- and they will continue to receive this support.

The fact that we respect the people's beliefs and religious worship in the country does not render any clergyman immune to begin to conspire against the revolution and act as an agent of the counterrevolution, Reagan, and the CIA. No, we cannot allow that. That is not pastoral work. Pastoral work is carried out in the church, and it includes offering masses, baptizing and confirming, and other services given by the Catholic Church. Consequently, the pastoral work of a priest or a bishop is to organize and participate in religious activities, procession, and other pastoral work. We have nothing against this.

However, and this has happened, if a priest, whether or not, he is a bishop, openly and directly involves himself with Reagan's plan and comes to Nicaragua to defend this counterrevolutionary plan, we will not accept this. We will not accept this type of political behavior that violates the laws of our country, behavior that attacks the laws of the country and the Nicaraguan people.

Some priests have acted in this manner and the government has been very patient. We have talked to them, called their attention to this, we have made many proposals, but they continue to insist on working in favor of terrorism and aggression.

We have met with all the bishops, we have reached agreements, and then one of the bishops come out making statements that are the opposite of what we agreed on. And all this to create discontent. Why? So that Reagan may have more excuses to continue killing the Nicaraguan people. For this reason, we have been forced to adopt measures against a Catholic priest like Bismarck Carballo. He is in Miami and can stay in Miami. If he wants to enlist openly with the counterrevolution, let him do so. If he wants to come back to Nicaragua he must work for peace, for Reagan's aggression against Nicaragua to end. Once there is peace and not war in Nicaragua, he can return to the country.

Another priest who [word indistinct] is Bishop Vega, bishop of Chontales. Msgr Vega and I have talked. Only recently he talked with the [words indistinct]. But what was his answer to the government's efforts and its search for better relations between [words indistinct]? His reaction was a negative one. He went to the United States to openly support the financing of the mercenary forces. The worst part was that Msgr Vega went to the United States to meet with Enrique Bermudez, former colonel in the Somozist guard and leader of the FDN mercenaries, and with the other mercanery [words indistinct]. He met with them, had lunch with them, spoke to them, and defended them before the U.S Congress and people. He did this despite the fact that the U.S. people are against all aid to the mercenary forces and the war against Nicaragua.

Despite all this Msgr Vega spoke in favor of the war against Nicaragua. The U S. biships have openly opposed Reagan's policy against Nicaragua, yet Msgr Vega goes to the United States and speaks against the position of the U.S. bishops and meets with the criminals Bermudez and Calero.

And yet he returned to the country as if nothing had happened. He returned to the country as if nothing had happened. However, the Nicaraguan people are getting killed. Children, women, and workers, die each day. Only recently a mine that the U.S. Government, that the U.S. Army, gave the mercenaries killed 12 children, 12 women, and 8 men. All of these people were peasants and workers. Twelve children where killed. Amid this situation of terror, of terrorism, experienced by the Nicaraguan people, when the International Court of Justice [ICJ] in the Hague is condemning Reagan's policy, Msgr Vega calmly holds a news conference for the international press and once again openly defends Reagan's policy. He was asked about the dead children and he said he knew nothing of this, that he had no information on this. He was asked about the aid to the counterrevolutionaries and he gave his support to this aid. He was asked about the invasion and he said the invasion is justified. He was asked about the ruling of the ICJ and he calmly said the ruling was biased towards Nicaragua. He gave diabolical answers. This makes us think that this man did not have God within him, he had the Devil within him and the Devil was the one speaking. A diabolical answer.

It is diabolical because he ignored the deaths of Nicaraguan children. It is diabolic because he ignored the death and suffering of the Nicaraguan people, and this is not a Christian feeling. Anyone who speaks and acts in this manner cannot be a Christian even if he is a bishop. It is not the head that makes the monk.

It would not be the first time that [words indistinct] betray their own principles for which they have a certain [words indistinct] the religious [words indistinct].

Therefore, we have been forced to adopt the measure of suspending the right to residence of Msgr Vega in Nicaragua because [words indistinct]. In Honduras he has the possibility of going to the counterrevolutionary camps and staying there because he identifies with those people. So it is better for him to be with those people instead of promoting unrest and resentment here among the people. The people get upset and they have demanded that we take strong measures against these people. Consequently, we are just reacting, in a justified way, and heeding the people's demands in this matter.

What did Vega do? Just like LA PRENSA and Msgr Caraballo, they [words indistinct] here in Nicaragua. Now, let them work for peace. Let them go to the United States to demand a halt to the aggresson. Let them go to the United States to clearly state that women, children, the elderly, and workers are being killed here [words indistinct], so that we can soon have peace. And then, with peace in the country, they can return to Nicaragua. Now, they have to earn the right to return to Nicaragua by working for peace. They must work for peace if they want to return to Nicaragua. If LA PRENSA wants to circulate again, it must also work for peace. The sooner they work for peace, surely, the better the possibilities for us to reach peace.

We maintain our willingness to talk with the U.S. Government. We maintain our willingness to advance in the negotiations thrugh the Contadora (?proposals). We want peace. We do not want war. We want peace. We wish we did not have to take these measures with LA PRENSA, Carballo, or Vega because Reagan is going to interpret it his way. Reagan is going to say that we are persecuting the church. Reagan is going to say that we are putting an end to the church in Nicaragua and the religious [word indistinct]

Reagan is going to say that we are enemies of freedom of the press and that is why we closed LA PRENSA. Many lies will be said against the Nicaraguan revolution. We are aware of the upcoming campaign after these measures. But they left us no other alternative or path. And the only one responsible for this situation of tension and crisis in Nicaragua and Central America is the U.S. Government. Therefore, the U.S. Government must change its attitude and seek a true peace. [end recording]

NATIONAL ASSEMBLY RATIFIES IPU DELEGATION

PA092316 Managua Radio Sandino in Spanish 0000 GMT 9 Jul 86

[Text] Today, with 65 votes in favor and one abstention from the Marxist-Leninist Peoples Action Movement, the National Assembly reconfirmed in their posts for this year the current directors for the Nicaraguan national delegation to the IPU.

The directors of the national group are: president, Commander Carlos Nunez; vice president, Commander Leticia Herrera; De Clemente Guido of the Democratic Conservative Party of Nicaragua; and Mauricio Diaz Davila of the Popular Social Christian party.

Also, ratified in their posts as secretaries were Subcommander Rafael Solis Cerda, Domingo Sanchez of the Nicaraguan Socialist Party, and Juan Tijerino.

EFE REPORTS RELEASE OF 47 POLITICAL PRISONERS

PA091645 Madrid EFE in Spanish 1632 GMT 9 Jul 86

[Excerpt] Havana, 9 Jul (EFE) -- The Cuban authorities have released 47 political prisoners, EFE was informed today by sources close to the former inmates.

The release of the prisoners, who were being held in the Combinado del Este Prison in the outskirts of Havana, took place yesterday, the sources said.

The released prisoners were serving prison sentences of over 20 years, which they will not serve as a result of the government's decision to release them. [passage omitted]

MALMIERCA SPEAKS AT NAMIBIA CONFERENCE

For the Moscow TASS report on the speech delivered by Cuban Foreign Minister Isidoro Malmierca at the International Conference for the Immediate Independence of Namibia, see the World and Regional Affairs section of the 10 July Soviet Union DAILY REPORT.

AGREEMENT SIGNED WITH MEXICO TO INCREASE TRADE

FL092224 Havana Radio Periodico del Aire 2130 GMT 9 Jul 86

[Text] With the signing of a cooperation agreement between Mexico's National Association of the Processing Industry [Canacintra] and the Cuban Chamber of Congress, the meeting with Mexico has concluded in Havana. The report of the work completed in Cuba by the Cancintra delegation, made up of representatives of 15 Mexican frims, and by Cuban enterprises and officials was also signed.

The agreement provides for cooperation between Canacintra and the Cuban Chamber of Congress and expresses the intention of increasing trade relations with Cuba in diverse economic and trade sectors.

ANNIVERSARY OF MONGOLIAN REVOLUTION MARKED

FL091310 Havana Radio Progreso Network in Spanish 1100 GMT 9 Jul 86

[Text] Friendship and solidarity between Cuba and Mongolia has been ratified during a ceremony held marking the 68th anniversary of the triumph of the Mongolian People's revolution hosted in Havana by the Cuban Movement for Peace and Sovereignty of the Peoples.

Orlando Fundora, president of the movement, and Bayarhuugiyn Nandzad Mongolian People's Republic ambassador to Cuba, presided over the ceremony.

CASTRO MEETS WITH MOTHER TERESA OF CALCUTTA

FL091207 Havana Radio Progreso Network in Spanish 1100 GMT 9 Jul 86

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, has received in Havana Nobel Peace Prize winner Mother Teresa of Calcutta, who is visiting Cuba as part of her Caribbean and U.S. tour.

Upon her arrival in Cuba, Mother Teresa was met at Jose Marti International Airport by Felipe Carneado, Central Committee member and chief of the Religious Affairs Office, and by Apostolic Pronuncio Giulio Einaudi.

SUGAR WORKERS UNION ANALYZES DEFICIENCIES

FL092210 Havana Radio Reloj Network in Spanish 2048 GMT 9 Jul 86

[Text] The National Committee of the Camaguey Sugar Workers Trade Union is analyzing deficiencies and errors in labor organization and salaries as well as measures to be taken by the workers movement.

A report presented to the delegates indicates that work norms are very basic and poorly applied in the majority of agroindustrial complexes and MINAZ [Ministry of the Sugar Industry] enterprises. The document points out that deficiencies in this area result from not observing some norms that, even though obsolete, are still in effect because they have not been updated.

Speeches by trade union representatives from several territories stressed the lack of correlation between salaries and production and the insufficient use of the sugar enterprises' capabilities.

2

FBIS DAILY REPORT
CONTENTS

Latin America

Vol VI No 133 11 July 1986

ARGENTINA

President Alfonsin Departs on 6-Nation Tour B 1
Jewish Citizens' Property Defaced in Parana B 1

BRAZIL

Air Force Minister Defends Informatics Policy D 1
Government Suspends Meat Exports Indefinitely [O GLOBO 9 Jul] D 1
Briefs: New EMBRAER Executive Board D 1

CHILE

Pinochet Visits Talcahuano, Concepcion E 1
    Reaffirms 16-Year Mandate E 1
    Attends Military Ceremony E 2
Accused Civic Assembly Leaders Arrested E 2
Rights Commission Views Case of Burned Student E 4
Caribineros Announce Promotions, Retirements E 4

COLOMBIA

Foreign Minister Deplores Nicaraguan Actions F 1
Authorities Seize U.S., Panamanian Boats F 1

PERU

Government Forces Kill 36 Shining Path Terrorists J 1
Interior Minister Reports Arrest of Terrorists J 1

URUGUAY

Government Reschedules Part of Foreign Debt K 1

CENTRAL AMERICA

GUATEMALA

Cerezo on Security Policy, NEW REPUBLIC Article P 1

HONDURAS

TIEMPO Comments on U.S. Envoy's Dismissal [8 Jul] P 2

NICARAGUA

Ramirez Discusses Aid, Economy, Contras [CAUCE 1-7 Jul] P 3
Ortega Sends Condolences on Death of Le Duan P 4

CUBA

Foreign Debt Payments Partially Suspended [REUTER] Q 1
Sugar Minister Meets With Soviet Officials Q 1
Risquet Meets Walid Junblatt in Lebanon Q 1

PRESIDENT ALFONSIN DEPARTS ON 6-NATION TOUR

PY101315 Buenos Aires TELAM in Spanish 1208 GMT 10 Jul 86

[Excerpt] Buenos Aires, 10 Jul (TELAM) -- President Raul Alfonsin today departed for New Zealand on the first leg of a 13-day tour that will include Australia, Japan, Saudi Arabia, the Philippines, and Portugal.

The TC-91 presidential plane took off from Ezeiza Airport shortly after 0830. Earlier, Alfonsin delegated his presidential powers to Vice President Victor Martinez.

Alfonsin's entourage is made up of Foreign Minister Dante Caputo, Economy Minister Juan Sourrouille, Air Force Chief of Staff General Ernesto Horacio Crespo, Cordoba Governor Eduardo Angeloz Secretary for Foreign Industry and Trade Roberto Lavagna, and presidential spokesman Jose Ignacio Lopez. [passage omitted]

JEWISH CITIZENS' PROPERTY DEFACED IN PARANA

PY100352 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1940 GMT 9 Jul 86

[Text] Parana, 9 Jul (NA) -- Three Jewish organizations in this city and two stores belonging to members of the Jewish community today were painted with swastikas and anti-Semitic slogans in a seemingly coordinated operation, according to a Jewish spokesman.

The Jewish Association of Parana addressed a note to the provincial government demanding a full clarification of the incidents. The note maintains that "the Nazi apparatus remains alive in Argentina through individuals who, in an organized manner, seek the dissolution of society and the failure of the democratic and republican system of government."

The note goes on to state that "recalcitrant anti-Semitism is still a threat, and the authorities have not identified those responsible for these attacks against human dignity, life, and the Jewish identity, which once again was vulgarly attacked today."

The note also states that the Jewish community of Parana, exercising its undeniable rights as a member of the Argentine family, demands the immediate clarification of the incidents and the safety of its members in the hope that the democratic forces will put a definite end to these vices of the past that are still alive.

The swastikas and slogans were painted between midnight and dawn on 9 July on the front of the Martin Ruber Jewish school; the Zionist Youth center; the Israeli Association, where the Jewish synagogue is located; and on the walls of two stores belonging to members of this community.

AIR FORCE MINISTER DEFENDS INFORMATICS POLICY

PY110038 Brasilia Domestic Service in Portuguese 2200 GMT 10 Jul 86

[Text] Air Force Minister Otavio Moreira Lima visited Sao Paulo today. During his stay he defended the informatics reserve market and Brazilian independence in the informatics field.

General Otavio Moreira Lima said today at the Piracunnunga Air Force Academy in Sao Paulo State that the informatics reserve market is fundamental for the technological development of the Brazilian aeronautics industry. Although Gen Otavio Moreira Lima admits there is not complete independence in the field, he is categorically in favor of Brazilian development in the informatics field:

[Begin recording] We must promote the development of Brazilian industry so that we may truly achieve independence. We must achieve a certain degree of independence so that we can have peace of mind and not end up totally relying on imports.

Gen Moreira Lima presided over the ceremony presenting swords to 233 new Air Force cadets, including 4 foreigners. The ceremony was held at the Piracunuunga Air Force Academy in Sao Paulo. The Air Force minister explained why he defends the reserve market policy in the informatics field:

[Begin recording] It is obvious that the development of our own national technology and the reserve market is fundamental for the development of a vast interrelated national sector. [end recording]

GOVERNMENT SUSPENDS MEAT EXPORTS INDEFINITELY

PY100354 Rio de Janeiro O GLOBO in Portuguese 9 Jul 86 p 1

[Text] The government yesterday adopted the first specific measure to partially solve the meat supply crisis: Early last night, Finance Minister Dilson Funero decided to suspend exports of both fresh and processed meat indefinitely.

Brazil exports 35,000 tons of mean monthly, totaling about 400,000 tons yearly. The decision was adopted after an assessment by the Special Secretariat for Supply and Prices and by the Foreign Trade Department. It will be in effect only until meat supplies stabilize, which should be around 22 July, when imported meat will begin arriving.

BRIEFS

NEW EMBRAER EXECUTIVE BOARD -- The new EMBRAER (Brazilian Aeronautics Company) executive board will be installed on 10 July. Its members are: administrative council president: Ozires Silva; superintendency director: Ozilio Carlos da Silva; production department director: Iraja Busch Ribas; financial department director: Adauto Ferreira da Silva; administrative director: Nelson de Jesus Parada; military program director: Brigadier Engineer Luiz Thomaz Carrilho Gomes Teixeira; industrial department director: Antonio Garcia da Silveira; technical director: Guido Fontegalante Pessotti; and commercial department director: Heitor Serra. [Summary] [Rio de Janeiro O GLOBO in Portuguese 5 Jul 86 p 20 PY]

PINOCHET VISITS TALCAHUANO, CONCEPCION

Reaffirms 16-Year Mandate

PY102120 Santiago Radio Chilena in Spanish 1700 GMT 10 Jul 86

[Text] President Pinochet has said his government will continue beyond 1989. He added that the 1980 Constitution has set a 16-year deadline: the first 8 years to promulgate complementary laws and the other 8 years to implement them. The country has been shaken by the comments the president made today. Eliana, we must know the details of his comments. Good afternoon.

[Begin relay by reporter Eliana Henriquez] Good afternoon. Eliana Henriquez reporting from Concepcion. President Augusto Pinochet today said he will not surrender the government without a good reason.

The head of state made these comments to women's volunteer leaders gathered at a Concepcion theater during the 4th and penultimate day of his tour through this area. On this occasion, the head of state confirmed that in 1973 Chile became the first country to break the chains of communism. He also said that in the past 13 years an unending struggle has been waged and that some ambitious politicians have joined the struggle.

Pinochet said his government has no other aim but to keep out the communists, reiterating that the 1925 Constitution permitted the political parties to do whatever they pleased while the 1980 constitution established some laws concerning their activities.

The head of state warned: This will continue beyond 1989. He will not surrender the government just for the sake of doing so. He noted that some people have not understood that the Constitution established a 16-year period for the current regime.

[Begin Pinochet recording] Some people have not understood this. The Constitution is set for a 16-year period. The first 8 years are to prepare laws, that is, to promulgate laws and regulations to complement the Constitution. The following 8 years are to implement those laws. If we do not enforce the law then our Constitution will not work. The Constitution will be lost because these people will quickly make changes. If the Constitution is enforced over these 8 years, however, then the concept will be strengthened. The Constitution will be strengthened and reinforced even if it is [word indistinct]. [end recording].

Moving on, Pinochet said a terrible campaign against Chile, both domestically and abroad, has been unleashed. He said that in early July $20-bills were distributed in the poor neighborhoods. This is how they staged the stoppage on 2 and 3 July, he said, adding: They failed however, and they will continue to fail.

In conclusion the head of state referred to the youths who were intentionally burned by their captors in early July. Concerning Rodrigo Rojas de Negri, who died as a result of serious injuries, Pinochet stated that curiously enough, Rojas de Negri's overcoat was burned on the inside, which would lead one to think a bomb went off. He added: I hope that the judge will find out the truth. Do not forget, however, that when the communists do things, they do them well, General Pinochet stated.

This was a report from Concepcion by Eliana Henriquez. Good afternoon. [end relay]

Attends Military Ceremony

PY101927 Santiago Domestic Service in Spanish 1100 GMT 10 Jul 86

[Text] President Pinochet has said in a speech in Talcahuano that we want a country of peace, tranquillity, and greatness for all. He added that free Chileans and the Armed Forces well defend their fatherland, whatever sacrifice is required. He called upon the citizens to show a spirit of strength and make greater sacrifices, because otherwise, he said, our children will become the slaves and victims of the sinister threat of Marxism. He added: We will never permit our Chile to become another Nicaragua or another Cuba.

President Pinochet is now in Concepcion with his wife and 14 ministers. There he has attended the solemn ceremony in which officers and conscripts of the No 6 Chacabuco Regiment of Concepcion swore the oath to the flag. During the ceremony the soldiers promised to be faithful to the fatherland. In addition, 77 youths were decorated for having distinguished themselves in various activities.

On the same occasion, Brigadier General (Helmut Kaushar), second in command of the 3d Army Division, said in his patriotic speech that those who resort to all methods to create chaos and undermine the institutions are moving toward their own destruction. But, he said, the future can be seen as being clear and brilliant with a government whose work looks toward the future. We are building a country free from totalitarian ideologies, thanks to the efforts and work of the large majority.

ACCUSED CIVIC ASSEMBLY LEADERS ARRESTED

PY110322 Santiago Radio Chilena in Spanish 2300 GMT 10 Jul 86

[Excerpts] An unusual situation developed this afternoon around the court building when an announcement was made that the 18 Civic Assembly leaders accused by the government were going to voluntarily appear before the judge. Some of those arrested were punched, kicked and teargassed by the police as they tried to peacefully enter the court building. Other members were lucky enough to voluntarily give themselves up to the judge. Most of them, however, were arrested upon leaving the Lawyers Association building in a spectacular police operation.

The police had cordoned off the court building more than 1 week ago, and the reason they did so was learned this afternoon. This morning Juan Luis Gonzales, president of the Civic Assembly, announced that the intention of the civic leaders was to appear before the judge peacefully, not as common criminals or fugitives from justice but as representatives of broad sectors of the country who have not committed any crime.

At 1500 the situation was chaotic because no one knew exactly what was happening with the Civic Assembly leaders. There was a report that one of them, the president of the National Pensioners Association, who is 80 years old, was arrested by the police at his home. A few minutes later Osvaldo Verdugo, president of the Teachers Association, appeared on Bandera Street walking toward the court building. Dozens of policemen then rushed toward him to arrest him amid punches, insults, kicks, and tear gas. [passage omitted]

While violent actions were taking place around the court building, nine of the Civic Assembly leaders who were in the Lawyers Association building were trying to leave for the court building. Before they left, the Civic Assembly president read a statement:

[Begin Gonzalez recording] I am going to make a public statement as president of the Civic Assembly. This statement is made on behalf of all the Civic Assembly members who are wanted by the Interior Ministry.

1. From the first moment we learned of the charges against us, we intended to voluntarily present ourselves before Judge German Valenzuela Erazo.

2. In an inexplicable development, we have been prevented free access to the court despite the repeated requests we have made. This is well known by the people who can verify our position.

3. Under these circumstances we have decided to go to the court and present ourselves to the judge at the risk of being arrested by the police because we have nothing to hide, because we are going to the court with clean hands, heads held high, and with the assurance of the support of the majority of the citizens.

4. For us this is a time of happiness and emotion. [end recording]

The large number of plainclothes policemen with warrants for the arrest of the Civic Assembly leaders prevented them from leaving the building. An investigative police officer entered the building and reached an agreement with the leaders, who were going to surrender to the police on Ahumada Avenue. The agreement was of no use because they were attacked by uniformed and plainclothes policemen, who violently pushed them into police vehicles parked on the avenue. The incident occured as people supporting the leaders sang the national anthem. [passage omitted]

Those arrested are: Juan Luiz Gonzalez, Angel Maulen, Juan Carlos Latorre, Patricio Basso, Francisco Rivas, Eugenio Leon, Maria Antonieta Saa, Jorge (Pavet), and Jose Santos (Millao), who was wearing his Indian clothes. Lautaro (Lave) was arrested 1 block from the court building as he got out of a cab. He said: I am here to give myself up, but before he even finished his words, dozens of detectives jumped on him and arrested him. Andres Rengifo, Soledad Larrain, and Ignacio Balvontin were able to enter the court to join Osvaldo Verdugo in the court's guardhouse, where they waited to be called by Judge Valenzuela. Three of the 18 accused Civic Assembly leaders either did not shown up or have been arrested. They are Eduardo Valencia, Hector (Molla), and Marta Luisa (Traique). [passage omitted]

Judge Valenzuela pointed out that he is going to interrogate all those arrested and will then decide their fate. Osvaldo Verdugo president of the Teachers Association, was released a few minutes ago by Judge German Valenzuela Erazo because so far there is no warrant for his arrest. [passage omitted]

Verdugo said the judge did not interrogate him because apparently the judge has not yet received the additional charges made by the Interior Ministry.

RIGHTS COMMISSION VIEWS CASE OF BURNED STUDENT

PY101834 Santiago Domestic Service in Spanish 1100 GMT 10 Jul 86

[Text] The Human Rights Advisory Commission has very strongly condemned the crimnal acts that led to the death of the youth Rodrigo Rojas de Negri and caused serious injuries student Carmen Gloria Quintana. This was announced to the press by Carlos Varas, secretary of the organization, which was recently created by the Interior Ministry. He reported the members of the Commission will cooperate closely and have decided to condemn the act. Varas said the decision was made at the request of the Interior Ministry.

[Begin Varas recording] The Commission has decided to strongly condemn criminal acts like that which caused the death of a young man the very serious injuries to a young woman. These acts show extreme cruelty and violate the most basic human rights.

The Commission also agrees to cooperate closely and decisively in any way that can lead to the total clarification of the events, which are being investigated by the judge appointed to the case, and asks for the strongest punishment under the law. The Commission will take a particular interest in any petition the judge may make in this case. [end recording]

Although the Human Rights Commission is not a court and has no executive powers, it has agreed to meet with Judge Sergio Echevarria, who is investigating the case. In this way, the Commission intends to cooperate in the clarification of the controversial case.

CARABINEROS ANNOUNCE PROMOTIONS, RETIREMENTS

PY102146 Madrid EFE in Spanish 1725 GMT 10 Jul 86

[Text] Santiago, 10 Jul (EFE) -- General Oscar Torres will replace General Juan Alegria Valdes as deputy director of the Chilean Carabineos force. Gen Alegria has been appointed Chilean ambassador to Costa Rica.

An official communique released by the Carabineros Press Office states that "because of this promotion and because they have completed the required number of years of service, the following Carabinero officers will go into retirement: Hector Insulza, Osvaldo Arriagada, and Victor Vargas Contreras."

The communique also says that the following generals will be promoted to the rank of inspector general: Claudio Calderon, Jorge Portilla, Pedro Casanueva, and Leonidas Venegas.

FOREIGN MINISTER DEPLORES NICARAGUAN ACTIONS

PA101354 Paris AFP in Spanish 2037 GMT 9 Jul 86

[Text] Bogota, 9 Jul (AFP) -- Colombia criticized the Sandinist government for its position on the Central American conflict today, saying it obstructs the Contadora Group's efforts.

Foreign Minister Augusto Ramirez specifically mentioned the closure of the newspaper LA PRENSA, the prevention of Monsignor Carballo's return to Managua, and the recent expulsion of Juigalpa Bishop Pablo Antonio Vega, vice president of the Episcopal Conference of Nicaragua, from the countrty.

Criticizing the Managua regime's decisions, Ramirez said: "These decisions do not contribute to regional detente and make difficult the peace efforts exerted by Contadora (Colombia, Mexico, Panama, and Venezuela)."

The Colombian foreign minister asserted that the Sandinist government's behavior runs counter to the pledge made with the signing of the document of objectives, and to the spirit of the document for peace and cooperation in Central America, which was proposed by the Contadora Group but is yet to be signed.

Ramirez specifically deplored the closure of LA PRENSA, "the only independent newspaper in that country," he satated.

AUTHORITIES SEIZE U.S., PANAMANIAN BOATS

PA090346 Madrid EFE in Spanish 0315 GMT 9 Jul 86

[Text] Monteria (Colombia), 8 Jul (EFE) -- The Colombian Navy today seized a Panamanian-flag boat and two U.S.-flag boats that were caught fishing without a license in Colombian territorial waters.

The Natural Resources Division of Cordoba Department, 700 km northwest of Bogota, reported that the U.S. boats "Coral Mae" and "Panamericana" and the Panamanian boat "Calypso III" were seized.

The three boats were discovered fishing in a nature reserve zone near the towns of San Bernardo del Viento, San Antero, and Monitos (Cordoba), close to the Panamanian border.

The boats and crew, whose names were not revealed, were taken to the naval base in Covenas, where they were interrogated and notified that they had violated natural resources laws.

GOVERNMENT FORCES KILL 36 SHINING PATH TERRORISTS

PY100330 Paris AFP in Spanish 0013 GMT 10 Jul 86

[Text] Lima, 9 Jul (AFP) -- The military high command reported in Lima today that government forces have killed 36 Shining Path terrorists during clashes in Ayacucho Department.

The military report also says a soldier was killed during clashes on 4 and 7 July in La Mar Province.

The first battle between an Army patrol and terrorists occurred on 4 July in the Chihua area; 28 terrorists and a soldier named Zelu Zulla were killed. After the clash, the government forces seized weapons and homemade bombs.

Two more clashes occurred on 7 July in the areas of Lagos and Chancavani in northern Ayacucho, where eight terrorists were killed, food supplies and propaganda material were destroyed, and homemade bombs were seized.

The Armed Forces Joint Command reported that 207 Shining Path terrorists have been killed since late March 1986 in clashes with government forces in Ayacucho, Huanuco, and Puna Deparments.

INTERIOR MINISTER REPORTS ARREST OF TERRORISTS

PY090339 Paris AFP in Spanish 0046 GMT 9 Jul 86

[Text] Lima, 8 Jul (AFP) -- Interior Minister Abel Salinas today reported that in the past 20 days the police have captured 35 terrorists in raids in Lima and in the Andean Department on Pasco.

Salinas said that among the detainees are 8 members of the Tupac Army Revolutionary Movement and 27 Shining Path members, among whom are 4 members of an assassination squad charged with the selective killings perpetrated by this Maoist organization.

Rogelio Garcia, another Shining Path member, was arrested at noon today following an attack against the Soviet Embassy. Another terrorist who was identified as Saul Beteta, died during the attack.

GOVERNMENT RESCHEDULES PART OF FOREIGN DEBT

PY110236 Montevideo Radio Carve in Spanish 0000 GMT 11 Jul 86

[Excerpt] The Uruguayan Government and approximately 100 foreign banks today signed an agreement rescheduling approximately $1.7 billion of Uruguay's foreign debt. This represents a little less than a third of the Uruguay's $4.9 billion foreign debt.

A press report datelined New York says that agreement, at an interest rate 1 and 3/8 percent higher than the Libor [London Interbank Offer Rate], which is now approximately 7 percent, will represent an annual expenditure of 20 percent of Uruguay's exports. In 1985 export amounted to $900 million.

Economy Minister Ricardo Servino admitted that servicing the foreign debt presents a heavy burden for the Uruguayan economy, but he noted that no one can pay back a large debt comfortably. Servino said the Uruguayan Government considers the agreement with the foreign creditor banks perfectly compatible with the Uruguayan economic growth program.

The rescheduling of the foreign debt has granted Uruguay a 12-year term to pay back the principal of the debts covered by the agreements through 1988. Servino admitted, however, that this concession is almost irrelevant because not even the creditors except to recover the principal. According to the minister, the important thing is to be up to date in the amortization of the interest.

Along with a $90-million loan signed with the World Bank and the foreign banking sector to finance a project for the distribution of energy, the rescheduling of the foreign debt forms part of a financial package agreed upon last year by the Uruguayan Government and the IMF within the framework of what Servino called a growth adjustment program.

The minister asserted that events show that this objective is possible, noting that during the second half of 1985 the Uruguayan economy grew by 2.5 percent.

The economy minister said that during the first 4 months of 1985, Uruguayan exports increased by approximately 27 percent compared to the same period in 1984. He said this process is continuing. [passage omitted]

GUATEMALA

CEREZO ON SECURITY POLICY, NEW REPUBLIC ARTICLE

PA101650 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 10 Jul 86

[Text] At a news conference held this afternoon, President Vinicio Cerezo announced that the internal security policy will be reorganized soon. This will be done jointly with the government and defense ministers in order to straighten out the country's security system and put it under strict control. Cerezo made this and other remarks while commenting on a report by U.S. journalists describing the operation of the G-2 as the Army's intelligence and repression apparatus.

Referring to the article, "The Bureaucracy of Death," published in the NEW REPUBLIC and written by (Allan Marin) and (Jean Marie Simmons), Cerezo said that the information used is from the 1960 - 1985 era, and that these cases are not occurring now because he holds power and issues orders in Guatemala. He noted that he will exercise power during the 5 years of his term and that no one, neither military officers nor commentators, will tell him how to exercise it.

Cerezo said the Army officers mentioned in the article no longer hold top Army intelligence positions. Perhaps, he said, they hold lower positions or simply no longer work for the government because his administration has been already assembled.

He said the article, which has been highlighted recently, does tell the truth, but it also includes erroneous information. In addition, he said the army has given him full support and carries out his orders.

CEREZO SAYS CONSULAR TIES WITH UK IMMINENT

PA101639 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 10 Jul 86

[Text] President Vinicio Cerezo has said that Guatemala's consular relations with the United Kingdom will be resumed soon. He said that the confirmation of this fait accompli will be announced immediately because the people must be kept informed about the new and beneficial relations their government maintains. The resumption of ties with the United Kingdom was announced early in May, but it will not be finalized until contacts are completed. Diplomatic relations will be established later on, he said.

As is known, Guatemala broke relations with the United Kingdom many years ago when the conflict over Belize deteriorated. However, the government now stresses that the Belize problem will not interfere in the good relations with the United Kingdom because the intention is to find a peaceful and political solution for the Belize conflict.

Four deputies of the National Congress left for London early this week to make final arrangements to establish a British consulate in Guatemala soon.

HONDURAS

TIEMPO COMMENTS ON U.S. ENVOY'S DISMISSAL

PA101410 San Pedro Sula TIEMPO in Spanish 8 Jul 86 p 6

[Editorial: "The Consequences of Ambassador Ferch's Dismissal"]

[Text] The dismissal of U.S. Ambassador John Arthur Ferch has promoted much speculation. This is to be expected not only because the procedure was unusual and untimely, but also because to Hondurans, this is the first time such an incident has taken place.

The replacement of U.S. ambassadors to Honduras is very important to our nation, considering our country's traditional and now galloping dependence on the United States. For various historical, political, economic, and even cultural reasons, in the majority of the cases -- unfortunately -- "Washington's clock sets the time in Honduras," as former President Ramon Villeda Morales once said.

Hondurans' surprise over the rude dismissal of Ambassador Ferch -- a career diplomat and an expert in economic matters -- has many consequences which are clear to see: 1) it shows the great contradiction that exists in the policies of the Ronald Reagan administration toward Central America between a view that is inflexible and fanatical and a view that is understanding of the region's situation; 2) it makes an increased involvement in Nicaragua from Honduras highly possible; 3) it shows that the Reagan administration has no interest in Honduras' economic and social development, other than its usefulness as a platform of aggression against our neighbors; and 4) it points to a greater meddling in this country's domestic affairs.

Therefore, the departure of Ambassador Ferch -- known for his interest in helping to solve Honduras' economic problems as the cornerstone of his actions, a task which he efficiently performed on the basis of the interests of Hondurans -- leads to the conclusion that this will not be the mission of the new U.S. ambassador, according to Washington. His mission will be to corner Nicaragua from Honduras, to show coldness and determination in the war of his contras, and to not care about Hondurans' economic and social development.

The matter becomes clearer when instead of focusing on the palace intrigue against Ferch, we take an overall look at what has been happening to those in charge of implementing U.S. policies toward Central America.

Let us recall how Thomas Enders, deputy assistant secretary of state for inter-American affairs, who was transferred as ambassador to Spain for preferring dialogue over military escalation in Central America, was dropped.

Let us recall what happened to Mr Reagan's roving ambassadors to Central America. First there was Richard Stone and later Harry Shlaudeman. After getting acquainted with the Central American situation, they showed a greater understanding of what is happening here, and therefore understood that the best solution is a negotiated solution.

Recently, Ambassador Philip Habib ("the beloved", which is what Habib means in Arabic) began as a superman with alleged spectacular successes in the Middle East and the Philippines. Later on, he was practically disavowed when he sent a letter to a group of U.S. congressmen, commenting on the talks in terms that truly correspond to the Central American situation.

Since then, Ambassador Habib has not said a word and has not returned to Central America. Before, every time aid to the contras was approved, Mr Habib would fly from Washington to this region and even to the Southern Cone. Elliott Abrams, assistant secretary of state for inter-American affairs, whose actions and appearance are those of a hawk, is now making the trips.

Therefore, it becomes more understandable why Ambassador Ferch, an economist interested in Honduras, economic affairs -- which are the genuine problems that must be combated to avoid subversion and social instability -- was dropped.

Also, it is to be expected that the replacement for Ambassador Ferch, a person who managed to gain the affection of Hondurans who knew him well, will have the necessary credentials to have better luck with the intransigent and clouded senior staff of the Reagan administration.

NICARAGUA

RAMIREZ DISCUSSES AID, ECONOMY, CONTRAS

PY110208 Santiago CAUCE in Spanish 1-7 Jul 86 pp 41-43

[Report on interview with Vice President Sergio Ramirez by Victor Vio and Hernan Gutierrez in Strasbourg, France -- date not given]

[Excerpt] In Managua and the rest of Nicaragua, a revolution is under way; a revolution that cannot rest on its laurels.

This nation, which is shaping its present and future, confronts not only the burdensome inheritance of spectacular social and economic costs but also a counterrevolution by those who see a real threat to the success of the Sandinists.

Washington believes that Nicaragua is a dangerous domino that may push other countries into the same revolutionary trend.

This is the framework which has led the Reagan administration to stop making loans to Nicaragua.

Nevertheless, there are other countries helping the Sandinist revolution.

Nicaraguan Vice President Sergio Ramirez Mercado told CAUCE in Strasbourg that "25 percent of the economic aid we receive comes from Western Europe; 35 percent comes from countries in Latin America, ruled by parties that are members of the Socialist International [SI]; 25 percent comes from Eastern European countries; and the rest comes from other international sources."

He added that "this year the Nicaraguan budget will be about $600 million to be raised from national sources. It will be obtained through a complex process which will allow us to obtain these resources from the different sources I have previously mentioned. But I cannot say I am happy with the total aid we receive from European countries and from those Latin American countries that have governments linked to the SI."

Ramirez said, "I have just been to Norway. As a result of my visit there, the Norwegian prime minister has announced that Norway will increase its aid to Nicaragua by 10 million kroner. The prime minister will also propose to the Norwegian Congress to place Nicaragua in a massive-aid list. No other Latin American country enjoys this status."

Regarding the Spanish socialist government headed by Felipe Gonzalez, the Nicaraguan vice president told CAUCE: "We recently received important economic aid from Spain consisting of a $27-million credit that we are intensely using at this time to meet the basic needs of the country. My talks with Felipe Gonzalez were positive, as were those I held with Spanish Vice President Alfonso Guerra." [passage omitted]

ORTEGA SENDS CONDOLENCES ON DEATH OF LE DUAN

PA110426 Managua Domestic Service in Spanish 0300 GMT 11 Jul 86

[Message from President Daniel Ortega to the Vietnamese Communist Party Central Committee, dated 10 July in Managua -- read by Maribel de Rosas, press official from the presidency of the Republic -- live]

[Text] Managua, 10 July, 1986

25 years later, all weapons against aggression.

Comrades of the Central Committee of the Vietnamese Communist Party [CPV],

Dear Comrades:

On behalf of the FSLN National Directorate and the Nicaraguan Government and people, allow me to convey our deep sorrow for the death of our dear Comrade Le Duan, secretary general of the Vietnamese Communist Party. With his death, the CPV and [words indistinct] and all the international revolutionary movements have lost one of the historical forgers and builders of national liberation and of economic and social progress in southeast Asia; and one of the foremost strugglers for peace and solidarity among peoples.

While still young, Comrade Le Duan engaged in a struggle for a free and revolutionary Vietnam and sought to break the chains of colonialism and imperialism and to make an independent and more beautiful Vietnam, as Chairman Ho Chi Minh wanted. The enemy's persecution, tortures, and dungeons were never able to break his spirit as a fighter and his dignity as a citizen who is aware of the country's problems. Sandinist Nicaragua, which deeply appreciates the heroism, courage, and audacity of the Vietnamese people and their vanguard, the CPV, which has assimilated great lessons during the anti-imperialist resistance, lowers its flags for the death of such an unforgettable leader.

Fraternally,
Daniel Ortega Saavedra.

FOREIGN DEBT PAYMENTS PARTIALLY SUSPENDED

PA101814 Buenos Aires REUTER in Spanish 1736 GMT 10 Jul 86

[Text] Havana, 10 Jul (REUTER) -- Diplomatic sources reported today that Cuba has begun a partial suspension of payments on its $3.5 million foreign debt, which it had originally planned to implement 2 months ago.

Cuba informed its foreign creditors in April that it would suspend payment of principal and interest on its financial debt effective 5 May while an important restructuring was being negotiated, although it would continue to make payments on the principal and interest of its short-term commercial debt.

SUGAR MINISTER MEETS WITH SOVIET OFFICIALS

FL101232 Havana Radio Progreso Network in Spanish 1100 GMT 10 Jul 86

[Text] Cuban Sugar Industry Minister Antonio Rodriguez Maurell has met in Moscow with Konstantin Katushev, chairman of the Soviet State Committee for Cooperation, with whom he examined the current 5-year plan.

The Cuban minister also mete with Nikolay Vasilyev, Soviet minister of land reclamation and water resources, and with Sergey Afanasyev, minister of heavy and transport machine building.

RISQUET MEETS WALID JUNBLATT IN LEBANON

FL100136 Havana Television Service in Spanish 0000 GMT 10 Jul 86

[Text] Jorge Risquet Valdes, party Central Committee Politburo and Secretariat member, has met with a delegation of Lebanon's Progressive Socialist Party headed by its president, Walid Junblatt. In the fraternal conversations, the Lebanese leader provided a broad explanation of the complex and difficult situation of his country, which has been and continues to be the object of Zionist aggression. He also referred to the plans of imperialism and reaction to turn Lebanon into a base for their policy of domination and intervention.

FBIS DAILY REPORT
CONTENTS

Latin America

Vol VI No 134 14 July 1986

ARGENTINA

SIDE on Investigation Into Secret Code Sale B 1
Official Endorses Criticism of Aid to Contras B 1
Aerolineas Pilots Reject Management Conditions B 2
Bomb Explodes at High School; No Injuries B 2
Four Arrested; Explosives Seized in Buenos Aires B 2

BOLIVIA

Army Occupies Oil Refinery in Cochabamba C 1
Vice President's News Conference Concludes Trip C 1
Report Outlines Debt Terms With Paris Club C 2
Government Concerned Over Mineral Market C 2

BRAZIL

Official on Payment of Interest, Sayad's Agenda [O GLOBO 10 Jul] D 1
Marchers Protest Angra Power Plant Reopening D 1
Environment Secretary Tenders Resignation D 1

CHILE

Pinochet Confirms Decision To Extend Term E 1
    Predicts 8-Year Extension E 1
    Lauds Country's 'Democracy' E 1
Political Groups React to Pinochet's Comments E 2
    PDC Sees 'Provocation' E 3
    Abeliuk Reacts to Speech E 3
Interior Minister on Case of Burned Youths E 4
Regime To File Suit Against U.S. Publications E 4
9 Civic Assembly Leaders Sent To Prison E 5
    Church Backs ANC Leaders E 5
Combined Forces Raid Santiago Slum 11 July E 6
    Arrest 37, Check 1,300 E 6
Explosions Cause Supermarket Fires in Two Cities E 6

COLOMBIA

1 Arrested in Investigation of UK Consul's Death F 1
    Governor Deplores Crime F 1
Briefs: Marijuana Confiscated F 1

PERU

Wagner Assesses Foreign Policy Under Garcia J 1
Guard's Martinez Retired; Replacement Sworn In J 1

Port Director Denies Links to Arms Shipment J 2
Terrorists Bomb APRA District Office J 2

MEXICO

Columnist Views Upcoming Reagan-De la Madrid Meeting [UNOMASUNO 7 Jul] M 1
Sepulveda Calls for 'Prudent Path' in Region [EXCELSIOR 9 JUl] M 2
Petricioli Names Bank, Secretariat Officials M 3
  Travels to U.S. for IMF Talks [THE NEWS 11 Jul] M 3
Deputies Protest U.S. 'Intervention' in Elections [UNOMASUNO 4 Jul] M 4
20,000 Protest Election Results in Chihuahua [THE NEWS 11 Jul] M 5
Army Reports June Antidrug Campaign Results M 6

PANAMA

Delvalle Discusses Helms Charges, Contadora [EXCELSIOR 1 Jul] N 1
Attorney General Confirms Reporter's Asylum Request N 6
  Abadia Denies Persecution N 6
  Embassy Issues Note [EL SIGLO 12 Jul] N 7
  Ministry Answers Note [EL SIGLO 12 Jul] N 7
  Abadia: No Safe-Conduct N 8
  Departs for Venezuela N 8
Finance Ministry To Audit Canal Commission [LA ESTRELLA DE PANAMA 11 Jul] N 9
  U.S. Opposes Audit [MATUTINO 11 Jul] N 10
Riot Police Disperse Student Demonstrations [EXTRA 12 Jul] N 11
Ministry Orders 2-Day Class Suspension in School N 11

CENTRAL AMERICA

COSTA RICA

Naranjo Announces 15-Percent Budget Cut P 1
Arias, Habib Discuss Regional Situation P 1

EL SALVADOR

Rebels Seize Radio Stations, Air Messages P 2
Rebels Barricade Airport Road, Clash With Army [EL MUNDO 8 Jul] P 3
FMLN-FDR Present Terms for Peace Agreement [Venceremos] P 3
Duarte Invites Shafik Handal to Dialogue P 7
Duarte Views Rebel Dialogue, Nicaragua [Bonn DIE WELT 9 Jul] P 8
CTS Begins Strike; MOP Members Arrested [EL MUNDO 8 Jul] P 10
Castillo Claramount Notes Objections to Contadora P 10

GUATEMALA

Quinonez Confirms Support for Contadora P 11
C.A. Parliament Organizing Meetings Delayed P 12
Gen Gramajo Discusses Insurgency in El Peten P 12

HONDURAS

Azcona, Habib Discuss Area Situation P 13
Azcona Relates Contra Aid to Domestic Scene P 13
UN Envoy Resigns Over Foreign Policy Handling P 14
Montoya on U.S. Senators' Visit, Border Problems P 14

NICARAGUA

Ortega Discusses Defense in Chinandega P 15
Diplomats Say 6 MI-17 Helicopters Received [REUTER] P 17
VOA Report on Angolan Troops Termed 'Lies' [BARRICADA 9 Jul] P 18
Government Decrees 3-Day Mourning for Le Duan P 19
Ortega Greets Tirado on Return From Poland P 20
Cooperation Agreement Signed With GDR [cross-reference] P 20
Ortega Comments on Speculation in Products P 20
Briefs: Norwegian Donation Received P 20

CUBA

Foreign Ministry Issues Note on Talks With U.S. Q 1
Castro Sends Condolences on Le Duan's Death Q 1
Castro Greets Heng Samrin on KPRP Anniversary [Phnom Penh] Q 2
Viera Meets With Chinese Vice Foreign Minister Q 2
Brazilian Mission To Open Diplomatic Headquarters Q 3
Mexican Envoy Assesses Bilateral Relations [EXCELSIOR 4 Jul] Q 3
Nunez Meets With Ecuadoran Foreign Minister Q 4
Nation Becomes Member of Regional Association Q 4
Scientific, Technical Protocol Signed With Poland Q 5
Secretariat Member Heads Delegation to Prague Q 5
Rodriguez Meets With Algerian Minister Q 5
Viera Receives Lebanese Party Delegation Q 5

DOMINICAN REPUBLIC

Balaguer Officially Proclaimed President R 1
Fifth Communist Party Leader Resigns R 1
Workers' Party to Create Peoples' Front R 1

CARIBBEAN

Libyan Document Endorses Revolution in Region S 1

ARUBA

Former Economic Minister Arrested for Fraud S 1

OTHER COUNTRIES

INTER-AMERICAN AFFAIRS

SELA, ECLA Analyze Intraregional Trade [AFP] V 1

SURINAME

Military Leaders Resign; Bouterse Issues Warning V 1

SIDE CHIEF ON INVESTIGATION INTO SECRET CODE SALE

PY121717 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1530 GMT 12 Jul 86

[Text] Buenos Aires, 12 Jul (NA) -- Facundo Suarez, head of the State Intelligence Secretariat [SIDE], today promised to conduct a thorough investigation into a newspaper report alleging the loss or sale of the secret SIDE communications codes and other irregularities.

Suarez was reacting to a report published today by reporter Jesus Iglesias Rouco in the daily LA PRENSA, in which it was also reported that the SIDE delegate in Europe has been pardoned for "administrative irregularities." The official said that "if 70 or 80 percent of what Jesus Iglesias Rouco says is true, it will have to be investigated." He added that the reporter "dislikes the SIDE."

Regarding the newspaper report on the alleged sale of secret SIDE codes to a country what "does not maintain friendly relations" with Argentina, Suarez said that "I have ordered an investigation, not in order to find out the sources on whose words the reporter based his report, but to find out whether the report is true."

He said: "I will ask for the friendly cooperation of those individuals to clear up this question as soon as possible." He added, however, that "due to the seriousness of the matter, modifications may be made in the electronic codes," but he refused to go into any further details.

Suarez said that he has not received any report on the detention of the SIDE delegate in Europe who reportedly has committed "administrative irregularities." For this reason the Foreign Ministry reportedly has ordered the delegate's immediate dismissal.

He made it clear that "if this is true, everything will be investigated in time and the government will report to me on this reorganization of the intelligence service." He concluded by saying: "We cannot start any polemics over this, because the most important thing is to clear it up. Unjust things are also part of the games."

OFFICIAL ENDORSES CRITICISM OF AID TO CONTRAS

PY111859 Buenos Aires TIEMPO ARGENTINO in Spanish 9 Jul 86 p 8

[Text] The Argentine Government "shares" the harsh criticism of the United States made by Venezuela before the UN Security Council, which include a direct charge against Washington of "openly promoting actions by irregular groups that wish to oust the Nicaraguan Government by force." This was disclosed yesterday by Latin American Affairs Under Secretary Raul Alconada Sempe.

The comments by the Venezuelan delegate to the United Nations were prompted by the U.S. Government's decision to grant new financial "aid" of $100 million to the Nicaraguan contras, a measure which was approved -- after a close vote -- by the U.S. House of Representatives.

The Venezuelan representative -- Venezuela is a member of the UN Security Council -- said that Caracas "considers regrettable the U.S. Government's decision to follow a policy which undoubtedly violates international law and which -- far from favoring the Central American cause for peace -- only contributes to increase the tensions in the area and could lead to a chain reaction with unpredictable consequences."

Aguilar [not further identified] also stated "that it is surprising that a country which maintains diplomatic relations with the Nicaraguan Government should repeatedly and openly promote and encourage actions by irregular groups aimed at ousting the Nicaraguan Government by force, or imposing upon it a specific behavior pattern."

AEROLINEAS PILOTS REJECT MANAGEMENT CONDITIONS

PY110405 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2153 GMT 10 Jul 86

[Text] Buenos Aires, 10 Jul (NA) -- The Aerolineas Argentinas Pilots Assembly [APLA] tonight rejected the conditions it is facing and confirmed "the state of cessation of air operations and state of assembly" being maintained by its members. The announcement was made shortly before 2000 at the end of an assembly that started at 1800 at the APLA headquarters.

In a communique the APLA states that it "has learned about the negotiations carried out so far by its executive board and fully approves of what has been done."

The communique adds that in view of the new negotiations channel with the enterprise, this assembly also grants [passage indistinct] aimed at satisfying the demands made at the beginning of the conflict."

BOMB EXPLODES AT HIGH SCHOOL; NO INJURIES

PY111833 Buenos Aires TELAM in Spanish 1054 GMT 7 Jul 86

[Text] Buenos Aires, 11 Jul (TELAM) -- A medium-size bomb exploded early this morning in front of the Immaculada Concepcion High School, located at Mario Bravo 563, in the neighborhood of Almagro. The bomb caused damage but no victims, according to the police.

The event occurred at 0555 today and caused commotion among neighbors. The blast damaged the front and entrance to the school and broke some windows.

Personnel from the 9th Police Station are investigating because the school is within their jurisdiction. They are trying to identify and detain those responsible for the attack.

FOUR ARRESTED; EXPLOSIVES SEIZED IN BUENOS AIRES

PY112024 Buenos Aires Domestic Service in Spanish 1600 GMT 11 Jul 86

[Text] Four persons were arrested and several grenades, trotyl cakes, and detonators were seized by personnel of Police Station No 14 of the federal capital during a raid carried out at dawn today in a building that used to house a childrens' charity organization in the San Thelmo neighborhood of Buenos Aires.

This information was provided by the police, who carried out the operation at 0120 after a neighbor had complained that several drunks inside the building had started a fist fight.

After receiving the complaint, six policemen who went to the site to investigate the charges raided the building and arrested four people, among whom is (Angel Carmona), who is accused by his neighbors of protecting groups of hooligans in San Thelmo.

ARMY OCCUPIES OIL REFINERY IN COCHABAMBA

PY110003 Madrid EFE in Spanish 1850 GMT 10 Jul 86

[Text] La Paz, 10 Jul (EFE) -- The 7th Army Division has occupied the Gualberto Villaroel oil refinery, which is located in Valle Hermoso, Cochabamba Department, 403 km southeast of La Paz. The refinery workers have joined the general strike started by the Palmazola refinery workers.

The occupation was confirmed today by the Federation of Bolivian Oilworkers, which regretted the measure adopted by the government, regarding it as "an act of provocation against the trade unions."

The Valle Hermoso refinery workers yesterday staged a general sitdown strike, protesting the Army and police occupation of the Palmazola refinery in Santa Cruz Department and the arrest of 10 trade union leaders.

The 7th Army Division, headquartered in Cochabamba, then took control of the Valle Hermoso refinery.

The government said that this measure addresses the need to preserve the democratic process, threatened by "a political agitation against the executive branch."

The authorities are guaranteeing the supply of fuel to the people, although neither the gas supply for domestic consumption nor the gasoline supply for essential services such as hospitals, police and firemen had been suspended by the strikers.

VICE PRESIDENT'S NEWS CONFERENCE CONCLUDES TRIP

PY101422 La Paz La Red Panamericana in Spanish 1130 GMT 10 Jul 86

[Excerpt] Vice President Julio Garret has said that problems stemming from the foreign debt, the restricted markets, price slumps, and protectionism will be solved only at the political level. He made this statement to the press upon arriving at El Alto International Airport shortly after 2000 last night, ending a month-long tour of European and northern African countries. Garret held several meetings in his capacity as president of the Andean Parliament. [passage omitted]

Garret said the main objective of his tour was to comply with the resolutions issued at the last Andean Parliament session held in Bolivia. He added: I am convinced that the serious problems several countries are confronting because of their foreign debt call for political solutions; that is, solutions that transcend the framework of parties or finance ministers.

The vice president concluded by saying that the world is changing and that Bolivia and Third World countries must adjust thmselves to the new situation. If we do not do that, we will confront serious difficulties in the future, he said. However, he stressed he is sure that the country will overcome this crisis and that the situation will improve.

At the airport the vice president was welcomed by government officials, lawmakers, and a large number of reporters.

REPORT OUTLINES DEBT TERMS WITH PARIS CLUB

PY110022 La Paz La Red Panamericana in Spanish 1700 GMT 10 Jul 86

[Text] The National Economic Stabilization and Reactivation Council has issued a brief report on the terms of the negotiations with the Paris Club, the subject of much criticism in recent days.

The report states that the official overall Bolivian debt to governments or their official agencies through 31 December 1985 amounts to $1,636,400,000.

The overdue debt, that is the debt that has not been paid by Bolivia through 30 June 1986, now totals $392 million. The debt that falls due between 30 June 1986 and 30 June 1987 amounts to $254 million. Therefore, of the total Bolivian debt as of 31 December 1985, $646 million has been renegotiated.

Regarding the conditions for rescheduling the debt, the report states: To pay 100 percent of the overdue principal plus accrued interest that should have been paid on 30 June 1986; and to pay 100 percent of the principal plus interest that will be due on 30 June 1987. Regarding the payment terms of the overall debt, it establishes a 10-year period which includes a 5-year grace period.

A 4-year grace period has been granted for the overdue debt. The report adds that if negotiations had not been conducted with the Paris Club, Bolivia would have had to pay $393 million on 1 July 1986. Thanks to the negotiations and the rescheduling of 100 percent of the principal and interest of those portions of the debt that are due up to 30 June 1987, the most immediate pressure for payments has been eased by $646 million.

GOVERNMENT CONCERNED OVER MINERAL MARKET

PY112354 Paris AFP in Spanish 1250 GMT 11 Jul 86

[Text] La Paz, 11 Jul (AFP) -- It was officially disclosed here today that the Bolivian Government has sent a note to the U.S. ambassador to Bolivia, Edward Rowell, asking the United States to review its decision to sell its antimony reserves, a decision that will affect the market price.

The note, signed by a Foreign Minister Guillermo Bedregal, maintains that the only way to strengthen democrcy in Bolivia is by overcoming the economic crisis which is aggravated by the low prices of the minerals that the country produces.

The note goes on to state that placing 1,000 tons of antimony on the market will cause the international price to decline, affecting the national production as well as Bolivian economic programs designed to revive mineral activities.

Moreover, the Bolivian authorities have voiced their concern over the U.S. Government's decision to approve a law that will modify the preferential tarrif. This will create an even greater drop in international prices, which in turn will have a negative effect on the country.

OFFICIAL ON PAYMENT OF INTEREST, SAYAD'S AGENDA

PY112326 Rio de Janeiro O GLOBO in Portuguese 10 Jul 86 p 21

[Text] Brasilia -- Luis Felipe Lampreia, Planning Ministry coordinator for international affairs, yesterday reported that this year Brazil will pay the World Bank (IBRD) $1 billion (13.8 billion cruzados) in interest on its foreign debt. He added that the IBRD will lend the country $2 billion (27.2 billion cruzados) during the 1986-1987 fiscal year.

The coordinator confirmed that tomorrow Minister Joao Sayad will go to Washington, where he will sign the contracts for two $500-million loans which will be used for the agriculture and electric energy industries. Sayad will also try to obtain new financing which would be channeled through the Banco do Brasil to private irrigation projects.

In Washington, Sayad will meet with Federal Reserve (the U.S. central bank) President Paul Volcker and with Treasury Secretary James Baker III, besides attending the installation ceremony of Barber Conable as new IBRD president.

During his talks with Treasury Secretary James Baker, Sayad will defend the position that the international financial stage is again favorable for voluntary loans. James Baker is the creator of the Baker Plan, through which the IBRD and the Inter-American Development Bank will grant $20 billion (401 billion cruzados) to the developing countries through cofinancing operations with the private banks.

MARCHERS PROTEST ANGRA POWER PLANT REOPENING

PY120404 Rio de Janeiro Radio Globo Network in Portuguese 0300 GMT 12 Jul 86

[Text] Virtually all the residents of Angra dos Reis showed up yesterday for a march protesting the reopening of the Angra dos Reis Nuclear Power Plant. Intellectuals, scientists, and artists went to Angra dos Reis to assist the movement, which has the support of all the neighboring cities.

According to actress Lucelia Santos, who was also there, the government must deal with the problem through a plebiscite, debate the safety issues, reveal its evacuation plan, and indicate how the people should react in case of an accident. The actress wants to know if Brazilian medical facilities are prepared to face the various types of cancer caused by radioactivity.

ENVIRONMENT SECRETARY TENDERS RESIGNATION

PY120045 Brasilia Domestic Service in Portuguese 2200 GMT 11 Jul 86

[Text] Environment Secretary Paulo Nogueira Netto today tendered his resignation to Marco Maciel, the chief of the Civilian Household of the Presidency. Paulo Nogueria Netto claimed disagreement with Urban Development and Environment Minister (Dionisio Arce) over the handling of environmental issues.

PINOCHET CONFIRMS DECISION TO EXTEND TERM

PA111902 Paris AFP in Spanish 1838 GMT 11 Jul 86

[Text] Concepcion, Chile, 11 Jul (AFP) -- Chilean President General Augusto Pinochet, in statements which caused an impact in political circles, confirmed today the decision to extend his regime for another 11 years, to halt "the totalitarian threat" of communism. Pinochet reiterated his decision to maintain unchanged the Constitution promulgated 5 years ago, which extended his term until 1989.

The chief of state defended his "legitimate right" to project the work of the military government "beyond 1989," in a new presidential term that would end in 1997.

Political and journalistic circles in Santiago viewed Gen Pinochet's statements as a virtual proclamation of his presidential candidacy.

Predicts 8-Year Extension

PY120326 Santiago Domestic Service in Spanish 2300 GMT 11 Jul 86

[Excerpts] President Augusto Pinochet has said that no one can ignore the government's legitimate right to remain in power after 1989 in a new presidential term. Pinochet added that just as a large majority approved the 1980 Constitution, he is fully convinced that in 1989 the same Chileans will vote to extend the government's term for another 8 years. [recorded passage indistinct]

Pinochet also stated that the continuity of the great national achievements can only be ensured through constant effort and work. He added that an atmosphere of work and development and normal national activity are necessary to fulfill the great national tasks. He also pointed out that the enemies of Chile are tirelessly trying to subvert public order and threaten Chilean society by conducting a criminal communist strategy through the dissemination of false information.

Pinochet emphasized that the enemies of Chile will not achieve anything with their adventurous and criminal acts because Chile has already chosen its future and nothing and no one will change the path of freedom and progress chosen by a free and sovereign nation.

Pinochet delivered this message in Santa Juana, 60 km from Concepcion, where he met with residents at the conclusion of his 5-day tour through the 8th Region. During the tour Pinochet handed over many property titles and he and his wife were declared honored guests. [passage omitted]

Lauds Country's 'Democracy'

PY120021 Santiago Radio Chilena in Spanish 1700 GMT 11 Jul 86

[Text] We are again contacting the city of Concepcion, where the president of the Republic has made an important statement. Elaborating on this news, we now have Eliana Henriquez reporting from Concepcion. Good afternoon, Eliana, go ahead.

[Begin relay] [Henriquez] Good afternoon. This is Eliana Henriquez reporting from Concepcion.

President Augusto Pinochet today said that he believes that nowhere else in the world is there more democracy than in Chile today. The head of state spoke during a meeting with Concepcion neighborhood committee leaders at the Concepcion sports stadium on the last day of his tour through the 8th Region.

In his speech Pinochet said that many times the authorities have received criticism, and he has sought solutions to such criticism. He also reasserted that there are sectors that oppose the 1980 Constitution because it restricts the activities of political parties and does not permit them to do what they please, as they did in the past. Pinochet also stressed that the Constitution provides for the establishment of a national security council and that its basic goal is to enhance respect for the family and for mid-level organizations so that the people may channel their concerns through them to the government.

[Begin Pinochet recording] I believe that nowhere else in the world is there more democracy than we have, because many times I have received criticism and we have sought solutions to the problems. Therefore, I am saying that nowhere else is there more democracy. [end recording]

Pinochet also said that the delay in issuing the laws on CODECOS [Community Development Councils] and COREDES [Regional Development Concils] is due to the fact that the bill has some weak points which could permit communist infiltration. He said that the laws will be completed in early 1987.

After the meeting, the head of state went to Santa Juana, 50 km from Concepcion, where he is now attending a rally. It is expected that on this occasion Pinochet will again refer to the government's willingness to continue beyond 1989.

This was Eliana Henriquez reporting from Concepcion. [end relay]

POLITICAL GROUPS REACT TO PINOCHET'S COMMENTS

PY132356 Madrid EFE in Spanish 1703 GMT 12 Jul 86

[Text] Santiago, 12 Jul (EFE) -- President Pinochet's comment that his government could remain in power until 1997 has provoked negative reactions from several groups, including rightist sectors close to the government. Andres Chadwick, leader of the Independent Democratic Union [UDI], a promilitary government group, said: "If the president intended to say that he wishes to continue his administration without respecting the constitutional regulations, I completely disagree with him."

Patricio Phillips of the National Party, which is rightist and belongs to the moderate opposition, he said: "What Pinochet has said might be just a thoughtless reaction, because he must certainly be upset by the events at his family's mausoleum." Pinochet's family mausoleum was vandalized by groups of demonstrators recently during the funeral of Rodrigo Rojas, a young Chilean photographer who was a resident of the United States. According to Rojas' family, Rodrigo was burned by people wearing military uniforms.

Andres Allamand, head of the National Union, which although rightist belongs to the moderate opposition, said that Pinochet's words "are without doubt very serious" because they "contradict the meaning attributed by the government itself to the period ending in 1989."

The right-wing opposition Republican Party, through its leader Javier Diaz, has stated that "General Pinochet must be congratulated because he has finally clarified a doubt we all had."

Similar reactions were forthcoming from the center sectors of the opposition.

Christian Democracy, for example, has said that Pinochet's comments "are extremely serious for Chile's future and social peace."

Rene Abeliuk, president of the Social Democratic Party, said that "once again Gen Pinochet's sudden reactions have had the virtue of revealing his real intentions to the country."

Jose Sanfuentes of the Communist Party and the Popular Democratic Movement believes that "Gen Pinochet has publicly revealed what the whole country already knew: He wants to remain in power at any price."

PDC Sees 'Provocation'

PY120158 Santiago Radio Chilena in Spanish 2300 GMT 11 Jul 86

[Text] The Christian Democratic Party [PDC] today released the following statement: General Pinochet has taken the country by surprise with statements which we consider extremely serious for the future of Chile and social peace.

The PDC believes it is necessary to evaluate the political and social situation of the country at a time when crimes are being investigated, social leaders and students are being brutally persecuted, and the country has just massively expressed its anguish and discontent in a strike on 2 and 3 July.

We believe that Pinochet's statements are a provocation to the nation. This situation forces all responsible political parties to define their position. We will make our position known during a press conference on 14 July at 1130.

Signed: Eugenio Ortega, PDC national secretary

Abeliuk Reacts to Speech

PY110407 Santiago Radio Chilena in Spanish 2300 GMT 11 Jul 86

[Text] Social Democrat Rene Abeliuk has said that the writers of the 1980 Constitution planned for a plebiscite in 1989, and Pinochet forgot this in his speech delivered in Concepcion this morning. Abeliuk said that people here and abroad believed that there was a plan for democracy. He added that the fairy tale is over even for countries that believed in it. Very serious governments are now aware that the plan for democracy is not true.

[Begin Abeliuk recording] The fairy tale that we are on the way to democracy is over for a world that no longer accepts dictatorships, for a world that has been moved by the horror of the youths who were burned and by the repression of the people who buried one of the burning victims. What else can we say? It is obvious that Pinochet's announcement is going to have great impact. I believe it is a good thing. Why continue with a lie? The entire world should know now that he wants to remain in power indefinitely. [end recording]

This was a reaction from Rene Abeliuk, president of Social Democracy, to the speech delivered today by General Pinochet to a group of women in Concepcion.

INTERIOR MINISTER ON CASE OF BURNED YOUTHS

PY122018 Santiago Domestic Service in Spanish 1700 GMT 12 Jul 86

[Text] The government is the party most interested in clarifying as soon as possible the case of the youths who were burned during the violent events last week. This comment was made today by Interior Minister Ricardo Garcia during a press conference when he was asked about the measures that have been taken regarding this unfortunate event.

Rodrigo Fojas Denegri and Carmen Gloria Quintana were the victims of unknown persons who set fire to them. Rojas Denegri died. Quintana, a young student, suffered serious injuries.

[Begin Garcia recording] This event goes against everything the government stands for, the spirit that guides us, and the realities of the government actions. In view of this, the Interior Ministry, on the day the event took place, asked the prosecutor to fully clarify the case. We expect it to be fully clarified, not because this is requested from beyond our borders; it is a decision of our own, wholly our own, because it is in accordance with our principles. [end recording]

The minister said that the Interior Ministry has tried to cooperate with the courts, which have become intrigued by the case, asking that measures be taken which would be useful to clear up the case.

[Begin recording] The case is in the hands of the courts. A prosecutor is in charge of the investigation, which is in its preliminary stages. I cannot say how far the process has advanced in the courts; that is not for me to say, it is up to the judge who has taken over the responsibility. I only expect that the data that have been gathered will lead [words indistinct]. It is not a matter for people outside Chile [words indistinct]. Independently, and long before those people, we asked for clarification on the first day. It is unreasonable for anyone to take advantage of this type of event. This disgusts and disturbs all of us [words indistinct. [end recording]

Regarding comments by the president regarding the extension of the government beyond 1989, Minister Garcia said:

[Begin recording] His excellency, the president, gave a speech yesterday and made perfectly clear the meaning he gives to this extension and to the comments he had made before the speech. He said very clearly that (?the regime) should be completed according to the context of the Constitution [passage indistinct] [end recording]

Minister Garcia said that the government is very much aware of the importance of maintaining its principles and values beyond 1989.

REGIME TO FILE SUIT AGAINST U.S. PUBLICATIONS

PY120226 Madrid EFE in Spanish 0141 GMT 12 Jul 86

[Text] Santiago, 11 Jul (EFE) -- General Augusto Pinochet's government is going to file a $500-million suit against some U.S. publications, especially newspapers, for insulting and libeling the Chilean regime. Radio Cooperative has disseminated this report, attributing it to a "highly reliable" government source.

The radio station has also indicated that, according to the source, the suit will be filed before the appropriate court in the the very near future.

The station reported that the source did not mention which publications were involved.

According to the source, the station reported, the alleged insults and libel are a part of "the international campaign against Chile that has been going on for some time now."

9 CIVIC ASSEMBLY LEADERS SENT TO PRISON

PY121610 Santiago Domestic Service in Spanish 1100 GMT 12 Jul 86

[Text] The judge who is investigating the responsibilities of those who called the 2-day protest on 2 and 3 July has ordered the detention of 9 of the 18 who have been accused so far. Of this total, 15 are in detention. It is believed that Judge German Valenzuela will finish the first part of his work today, questioning the remaining 5. [numbers as heard]

Among those who have been detained and sent to the former Santiago Penitientiary is Dr Juan Luis Gonzalez, president of the Medical Association and of the self-styled National Civic Assembly. Another of those imprisoned is Hector Molla Marin, president of the Metropolitan Area Bus (?Lines). The remaining seven are: Ignacio Balvontin, Lautaro Ojeda, Andres Rengifo, Patricio Basso, Francisco Rivas, Soledad Larrain, and Maria Antonieta Sal.

Today the judge will question Juan Carlos Latorre, Angel Maulen, Eugenio Leon, Jorge Pavet, Jose Santos (Millao), and Luataro (Lave).

Maria Lucy Traipe and Eduardo Valencia are still eluding the police and court action. Osvaldo Verdugo, president of the Teachers Association, is the only one against whom no arrest warrant has been issued.

The Interior Ministry has said that the 18 people are charged with breaking the state security law on seven counts for calling and participating in [words indistinct].

Church Backs ANC Leaders

PY132128 Madrid EFE in Spanish 1726 GMT 13 Jul 86

[Text] Santiago, 13 Jul (EFE) -- The Chilean Episcopate today expressed its support for the 15 leaders of the National Civic Assembly [ANC] who have been in custody since last Thursday in connection with a suit filed against them by the government.

The Chilean bishops have told the arrested ANC leaders that "we are convinced that you are serving a just cause and that you are doing it peacefully." This support is expressed in a letter signed by Msgr Bernardino Pinera, president of the Episcopal Conference of Chile, on behalf of the bishops assembly.

The letter was delivered to the arrested ANC leaders this morning during a visit to the jail by Episcopal Conference Secretary General Msgr Sergio Contreras, auxiliary bishop of Santiago, and by the bishop of Ancud, Juan Luis Isern. When they came out of the jail after the visit, Msgr Jorge Hourton said that "this was a visit of sympathy and support. We delivered a letter from the Episcopate Assembly, which ended yesteday. Then we decided to express our support and sympathy to these leaders.

Fifteen leaders of the ANC, the largest grouping of opposition organizations that has been created since the military coup in 1973, are in custody in connection with a suit filed against them by the government of General Augusto Pinochet.

The government has accused them of being responsible for the general strike on 2-3 July and the incidents that left 8 people dead, about 100 injured, and nearly 800 arrested.

Two other leaders who have been accused by the government, Maria Lucy Traipe, a Mapuche Indian leader, and Eduardo Valencia, a leader of the poor neighborhood residents, have not yet appeared in court. Warrants have been issued for their arrest.

The ANC, which was created last April, has implemented a campaign of civil disobedience to pressure the military regime to restore a democratic system in the country.

COMBINED FORCES RAID SANTIAGO SLUM 11 JULY

PY111515 Madrid EFE in Spanish 1337 GMT 11 Jul 86

[Text] Santiago, 11 Jul (EFE) -- Security forces are today conducting another massive raid in Santiago, this time in the Cerro Navia slum district in the eastern part of the city. Military, carabineros, and investigative police personnel are participating in this operation.

Armed soldiers with painted faces have sealed off the area, while joint forces are raiding houses. Male residents are being rounded up in open places where their papers are checked. Meanwhile, no one can enter or leave the raided district.

Roberto Garreton, an attorney of the Catholic Church's Vicariate of Solidarity, said that he had talked by telephone with a member of the Human Rights Commission that was recently created by the military government, asking him to take some action in view of this new massive raid.

Garreton said the member of this progovernment commission told him that he should make the request in writing.

Arrest 37, Check 1,300

PY120202 Santiago Radio Chilena in Spanish 2300 GMT 11 Jul 86

[Excerpts] Military and police forces have arrested 37 persons during raids in the slum districts of (Sara Jajardo), Lo Amor, Vida Nueva, Las Casas and Intendente Saavedra.
The security forces checked 1,300 persons from 0700 until approximately 1400. THis information is an official report on the raids. The priest of this area, (Langula Hand), reported that those arrested were taken to the 9th Police Precinct . [passage omitted]

EXPLOSIONS CAUSE SUPERMARKET FIRES IN TWO CITIES

PA130307 Paris AFP in Spanish 0225 GMT 13 Jul 86

[Text] Vina del Mar, Chile, 12 Jul (AFP) -- Two big supermarkets were set on fire today in the Chilean cities of Vina del Mar and Villa Alemana. Police and firemen reported that the fires were caused by explosive devices. Another bomb was deactivated on the shelves of a similar establishment in Quilpue, a township close to Villa Alemana.

The authorities also reported that a public bus in Valparaiso port, the capital of the region, northwest of Santiago, was set on fire by a "Molotov cocktail" hurled by unidentified persons.

No organization has claimed responsibility for the attacks, which are similar to hundreds of other acts of sabotage carried out in the past few years by clandestine groups fighting the military regime of President Augusto Pinochet.

1 ARRESTED IN INVESTIGATION OF UK CONSUL'S DEATH

PA111847 Bogota Television Service in Spanish 1730 GMT 11 Jul 86

[Text] In Barranquilla, one person was arrested during the investigation being carried out by the authorities regarding who killed the UK consul in Barranquilla and why. Our correspondent Marta Milena Barrios was told the consul had reported that he had received several death threats.

[Begin recording] [Barrios] The Atlantic police have started an intense operation throughout the city to find the two hired assassins who killed UK Consul in Barranquilla Geoffrey Hutchinson. The attack happened at 1700 near the Metropolitan Cathedral when the Buick automobile in which the diplomat was travelling was intercepted by a gray Honda 500 motorcycle. From there, two men in their mid-20's shot him three times in the face and chest. He was killed instantly. So far, the police have interrogated some 20 witnesses and arrested 1 person last night. The name has not been disclosed so as not to hinder the investigations. Colonel Antonio Sanchez, commander of the Atlantic police, said the results of the investigation have been favorable.

[Sanchez] According to the information received, it is presumed that the crime was for personal reasons.

[Barrios] Six months ago Consul Hutchinson reported to the police that he had been threatened with death. He was 49 and had been in this post for 7 years, after his father, a Jamaican citizen who had occupied this post for a long time, died. He was married to a U.S. citizen and had two children. Mr. Hutchinson was the Land Rover dealer in Barranquilla and was the owner of the Auto Litoral company, from where he was travelling to the governor's office when he was killed. The funeral will be on 12 July. [end recording]

Governor Deplores Crime

PA111337 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 11 Jul 86

[Text] The following report was sent from Barranquilla by Carlos Garcia Mendoza. Atlantic Department Governor [name indistinct] has asked the security bodies not to rest unti they find the mastermind and the actual killers of the British consul in Barranquilla, Geoffrey Hutchinson, whom he met a long time ago because of his commercial activities.

Visibly upset, the governor said that the death of the diplomat represents a serious blow for the people of Barranquilla and that the crime must be solved as soon as possible.

Meanwhile, Department Police Commander Col Antonio Sanchez Varga regretted this new act of violence on the Atlantic coast. He said this is an isolated case that will be cleared up by the authorities, who in the past 15 days have solved murder cases involving a jewelry salesman and a university professor.

BRIEFS

MARIJUANA CONFISCATED -- Eighty people were detained and 20 tons of marijuana confiscated during a police raid in Santa Marta on 10 July. In addition, the police seized 8 boats and 23 firearms. [Summary] [Bogota Television Service in Spanish 1730 GMT 10 Jul 86 PA]

WAGNER ASSESSES FOREIGN POLICY UNDER GARCIA

PY120250 Madrid EFE in Spanish 0015 GMT 12 Jul 86

[Text] Lima, 11 Jul (EFE) -- Foreign Minister Allan Wagner today said in Lima that Peru's foreign policy has been reoriented in two ways: toward neighboring countries and toward active participation on the international scene.

Wagner said that "specific steps" toward detente "have been taken" in the policy toward neighboring countries, recalling that during his tenure he has officially visited Ecuador and Bolivia and that he held three working meetings with his Chilean counterpart.

Moreover, Wagner said that he received a visit from the Colombian foreign minister and that he plans to receive a visit from his Brazilian counterpart this year. He said all this activity demonstrates the importance Peru gives to neighboring countries, "which prompts dynamic relations and contributes to Latin American unity."

Referring to Latin American unity, the Peruvian foreign minister stated that the visits President Alan Garcia has made to Argentina and Uruguay have strengthened efforts to achieve such unity.

Concerning Peru's active participation on the international scene, Wagner said that such participation is taking place, especially with the nonaligned countries and at the United Nations, and that Peruvian proposals were approved at those forums. For example, in Luanda the nonaligned countries approved a resolution reflecting Peru's stand on the foreign-debt issue.

Wagner discussed Peru's foreign policy as he assessed the administration of President Alan Garcia after 11 months in office. Wagner said that in these 11 months the democratic system has been strengthened, and "the beginning of a new stage in the process of the country's development has been marked."

GUARD'S MARTINEZ RETIRED; REPLACEMENT SWORN IN

PA122002 Paris AFP in Spanish 1827 GMT 12 Jul 86

[Excerpts] Lima, 12 Jul (AFP) -- General Faber Cabello Caceres was sworn in today as the new director of the Republican Guard [GR], replacing General Maximo Martinez, whom the government removed from office and sent into retirement after being singled out as responsible for the killing of more than 100 inmates during the Peruvian prison uprisings, it was officially reported. [passage ommitted]

The resolution on the appointment of the new police chief, who took office today, was published in Peru's official gazette.

Two months ago former police chief General Julio Nino Rios, was also sent into retirement after the scandalous escape of two kidnappers from a small jail that the GR operates in the Justice Palace. Several officers and lower-ranking guards were prosecuted, charged with responsibility in the escape.

PORT DIRECTOR DENIES LINKS TO ARMS SHIPMENT

PY112109 Lima Television Peruana in Spanish 0100 GMT 11 Jul 86

[Text] Executive President of the National Ports Enterprise [ENAPU] Miguel Machado Cabello gave some explanations today regarding the cargo ship Pia Vesta and the destination of its cargo. He said that the cargo of Soviet-made weapons was not consigned to ENAPU Port Director Orestes (Sariaga), as was reported by the media.

[Begin recording] [Cabello] I have read in one of the weeklies that came out on Monday of this week and in the newspapers that the weapons in the cargo of that ship were consigned to ENAPU. I believe that this report is incorrect. ENAPU is well-known in the country as an enterprise involved exclusively in port activities, taking care of ships and cargoes. ENAPU never knew about this ship. This enterprise never serviced this ship and was never to service it.

[Reporter] What is the current situation of Mr Orestes (Sariaga), who is said to be directly responsible for the Cargo?

[Cabello] Your mention of Orestes (Sariaga) causes great surprise, because he is a man known for his honesty in performing his duties. He has worked for 38 years without interruption for the National Ports Enterprise, and his record is unblemished. This is how he managed to reach the post of manager of the Maritime Terminal of El Callao. He is a well-known man.

[Reporter] Do you then discard the possibility that he is in some way responsible in this case?

[Cabello] Personally, I discard it because I know Orestes (Sariaga) well, as I do the details of the case. [Words indistinct] could have been Miguel Machado Cabello or any other individual. It was not his fault, and it cannot be his fault. The simple fact that a cargo is said to be consigned to Orestes (Sariaga)...[changes thought] You know even reference to guns is made. Before the arrival of this ship, Mr (Sariaga) informed the Customs Police in this port and the customs administration of a situation that, in his view, was irregular, presuming that it involved smuggling. [end recording]

TERRORISTS BOMB APRA DISTRICT OFFICE

PY111835 Lima Canal 9 Television in Spanish 0315 GMT 11 Jul 86

[Text] An attack that caused damage but no casualties occurred this morning at a APRA [American Popular Revolutionary Alliance] district office in the Carmen de la Legua neighborhood of Lima. The attack took place at 0545. According to witnesses, three people in a red Toyota without license plates hurled a powerful bomb inside the APRA district office. The bomb exploded, causing serious material damage, practically destroying all the furnishings inside.

Only the APRA district Secretary General Victor Diaz Marujo was inside the office, where he usually sleeps. He was not hurt because he was on the second floor when the bomb exploded. Simultaneously, the house of an APRA member located behind the APRA district office was attacked.

COLUMNIST VIEWS UPCOMING REAGAN-DE LA MADRID MEETING

PA110440 Mexico City UNOMASUNO in Spanish 7 Jul 86 p 10

[By Javier Solorzano Zinser: "Unity and Strength in Foreign Policy"]

[Text] In the last few months we have experienced the most difficult moments of U.S.-Mexican relations. The problems have been on several fronts, but perhaps the most difficult one has been the meddling in our internal affairs by some members of the U.S. Senate. The ineffable Helms and the undiplomatic behavior of former Ambassador John Gavid have taken relations to complex circumstances that are difficult to handle.

At the same time, one cannot ignore the role of the Central American situation. As is known, the relations between our country and our northern neighbors have been marked by confrontations regarding the destiny of the countries of the region. The efforts of Contadora have always found an opponent in the United States. On one hand, the United States expresses support, and on the other it allocates $100 million for the Nicaraguan contras in an action that shows the lack of political will in favor of the Contadora process.

Of course, things do not stop there. We are not far from the days when Ambassador Kirkpatrick stated that Mexico's vote in the United Nations was always contrary to the United States as if being neighbors means that we must have similar political views. In those days, Mexico was compared to Cuba and Nicaragua because those countries maintained their independence in the international arena.

Things have not been easy. Other elements have also affected relations. Drug trafficking is an issue that is apparently being put to rest. Some members of President Reagan's Cabinet have acknowledged the work of the Mexican Government. Above all, it is understood that the problem does not only belong to Mexico and that it is a worldwide problem and that the United States shares a great responsibility. For example, the consumption of drugs plays a central role in drug trafficking and in the neighboring country, consumption is alarming.

In their first meeting, the Mexican and U.S. presidents contemplated the possibility of meeting at least every 6 months. To date, such a plan has been carried out to a considerable degree. Nevertheless, in the last meeting there were rumors about the climate of the talks. The Mexican Government was apparently not heard as it really wanted. Quick meetings with lower ranking officials were the framework for a meeting that was vital at that time for Mexico and the United States and that passed without pain or glory.

The climate is now more tense and delicate than it was in January. If on that date the basic topics were those of drug trafficking and the ever present subject of the illegal immigrants, we now must add issues of importance because they concern our country's independence and sovereignty. The interest of some U.S. senators with regard to the elections in Chihuahua is not accidental. Their alleged interest is marked by openly interventionist intentions and actions.

That is why it is essential that the U.S. Govenment know the importance that our country gives to the interventionist attitudes of some officials and of former Ambassador Gavin. The latter's insolence knows no bounds, and it is hard to believe that his attitude does not involve an overall policy. Likewise, the way that U.S. Senator Helms has been permitted to speak and to act tops it all. It is clear that he is not a senior official, but the White House must understand that his stance makes even more tense a relationship that has always been difficult.

The new meeting is also being held at a time when the internal situation is complex. The electoral processes and the attitude that the government adopts regarding the results might be a factor of weakness or strength in the August meeting. So far, there has been a positive balance in the elections in some states. The cases of Chihuahua and Sinaloa are being awaited by many so that they can now launch a serious attack.

The important thing is that we not harbor many expectations. It is known that meetings ease tensions but that they rarely lead to a radical change in relations. In view of this meeting, the social organizations and the political parties must understand that this is a difficult political and economic moment that requires unity. Today, more than ever, we must state that that Mexican president needs internal support and strength to face a situation that must be accompanied by political force and awareness.

Internal division is understandable, but we must understand that when we face the world and especially the United States, support and above all unity, is essential. The president must not go it alone. At the same time, the official position must also be strong and resolute. We cannot permit the relations to be marked by lack of attention to diplomacy. The strength of the government in the meeting will be based on the firmness and determination of its proposals which must be in line with the defense of sovereignty and self-determination which is what in the end we want for ourselves and for Central America.

SEPULVEDA CALLS FOR 'PRUDENT PATH' IN REGION

PA112023 Mexico City EXCELSIOR in Spanish 9 Jul 86 pp 1 A, 16 A, 36 A

[By EXCELSIOR correspondent Raymundo Riva Palacio]

[Excerpt] Madrid, 8 Jul -- Foreign Secretary Bernardo Sepulveda today urged the United States and Nicaragua to return to politically prudent paths when he warned that the radicalization of their positions will only lead to confrontation and foil the work of the Contadora Group.

In an interview with EXCELSIOR, Sepulveda insisted that Contadora is still in effect, but he admitted that if the "full" operation proposed by the Group is rejected, chaos will begin in Central America which "we feel is highly undesirable for the region."

"There is concern that disorders may result in actions that Contadora seeks to avoid," Sepulveda said. "In other words, that it may result in instability, anarchy, and unrest in the coexistence of the Central American states and in other states involved in the Central American conflict."

Sepulveda, who is in Madrid for a 3-day visit, referred to the situation in the area, which has further deteriorated due to the approval of the contra aid by the U.S. Congress -- which will revive the military struggle of the United States against Nicaragua -- and the reaction of the Sandinist government, which closed LA PRENSA and sent Bishop Pablo Antonio Vega, vice president of the Nicaraguan Episcopal Conference, into exile.

"This is precisely what we are worried about," Sepulveda continued," the start of a period of radicalization of positions which could result in undesirable intransigent positions that may put an end to the plan for a peaceful coexistence."

"In fact," he added, "this kind of radical attitude can only lead to closing political paths, putting an end to the ability to negotiate, and foiling a plan that advocated peaceful coexistence in the Central American region with reciprocal tolerance and the acceptance of formulas that would lead to stability and coexistence." [passage omitted]

PETRICIOLI NAMES BANK, SECRETARIAT OFFICIALS

FL101655 Mexico City NOTIMEX in Spanish 0355 GMT 10 Jul 86

[Text] Mexico City, 8 Jul (NOTIMEX) -- Finance Secretary Gustavo Petricioli Iturbe has appointed Carlos Sales Gutierrez as director general of the National Bank of Works and Public Services [Banobras] and Jaime Serra Puche as under secretary for revenue.

The two public servants are replacing Enrique Creel de la Barra and Gullermo Prieto Fortun, respectively. Until today, Sales Gutierrez was undersecretary of the national bank and Serra Puche the advisers' coordinator of the Finance Secretariat. Having fulfilled the main tasks which led to the creation of the National Bank Under Secretariat, tasks aimed at determining the structure which would make possible the functions of the country's new banking system, the executive official today ordered that the corresponding measures be coordinated now by the Finance Under Secretariat, under the supervision of Under Secretary Francisco Suarez Davila.

In this way, the general directorates of the Development Bank, Multiple Bank, and the Securities and Commodities Bank will be under the Finance Under Secretariat, eliminating management and advisers' coordination of the Bank Under Secretariat and Banking Policy Office.

The finance secretary appointed Manuel Calderon de la Barca as Banpais director general, replacing Tomas Gonzalez Hinojosa. His post of Finance Secretariat's internal comptroller will be assumed by Rosaura Velarde.

Hugo Garcia Blanke and Gustavo Mohart Betancourt will be responsible for coordinating advisers to the finance secretary and the office of development bank general directorate, respectively.

As he formally announced these structural changes, Petricioli Iturbe said they strengthen the Mexican banking sector and the Finance Secretariat.

He added that with these changes it is being demonstrated once more that the secretariat does not only fulfil its obligations, but also trains and prepares public servants who contribute to the effort Mexico is making to continue its progress.

Travels to U.S. For IMF Talks

PA122319 Mexico City THE NEWS in English 11 Jul 86 p 46

[Text] Finance Secretary Gustavo Petriciolo flew to Washington Thursday to resume negotiations with creditor banks and the International Monetary Fund (IMF).

Unofficial reports indicated Mexico will sign a new agreement with the IMF Tuesday.

Petricioli was to meet today with U.S. Treasury Secretary James Baker and Federal Reserve Board Chairman Paul Volcker.

Also scheduled are negotiating sessions with IMF Managing Director Jacques de Larosiere and recently appointed World Bank President Barber Conable.

Traveling with Petricioli are Undersecretary of Finance Francisco Suarez Davila, Undersecretary of Planning and Budget Control for the Secretariat of Programming and Budget Pedro Aspe and Public Debt Director Jose Angel Gurria.

DEPUTIES PROTEST U.S. 'INTERVENTION' IN ELECTIONS

PA120156 Mexico City UNOMASUNO in Spanish 4 Jul 86 p 4

["Parties and Chambers" column by Gonzalo Alvarez del Villar]

[Text] Two topics were discussed for more than 4 hours during the ordinary session of the Permanent Commission of the Congress of the Union held after the departure from Mexico of Guatemalan President Vinicio Cerezo: the flagrant violation of international law by the United States in its meddling in Mexico's domestic affairs -- namely, in next Sunday's elections in six states of the union -- and the aid that the United States has given the PAN [National Action Party] in Chihuahua.

Jesus Gonzalez Schmall listened to the recriminations by deputies Martin Tavira of the PPS [People's Socialist Party], Santiago Onate of the PRI, Pedro Penaloza of the PRT [Revolutionary Workers Party], Jorge Alcocer of the PSUM [United Socialist Party of [Mexico], and PRI Senator Humberto Celso Delgado.

All of them -- except Gonzalez Schmall -- spoke against the U.S. campaign to discredit Mexico, the U.S. open intervention in Mexico's domestic affairs, and its aid for the PAN in Chihuahua. Gonzalez Schmall took the floor five times to defend his party's stance, but he never admitted the U.S. support, much less criticized the alleged U.S. participation in the then upcoming elections.

Referring to a possible electoral fraud, specifically in Chihuahua, Gonzalez Schmall said that this problem has already been discussed, not only in the U.S. newspapers, but also in France, Australia, Spain, and Germany. He said that no one seeks bipartisanism. "We seek office through popular elections. We want democracy."

The legislators told Gonzalez Schmall that "the hunger strike by three PAN members in Chihuahua is a political propaganda move that violates paragraphs of Article 517. In addition, PAN members attacked means of communication by blocking a highway and taking over a radio broadcasting station. Onate of the PRI said. [quotation marks as published]

Alcocer of the PSUM said: "We have neither denied nor predicted frauds, [as published] but we have seen that our representatives in Chihuahua were hindered by PRI tricks. In Ciudad Juarez alone, 300 of our representatives were excluded. We were prevented from registering our representatives in Zaragoza, a municipality where the PSUM predominatges... The PRI does not want witnesses. In addition, Francisco Baeza has slandered us by pretending that we have allied ourselves with the PAN. What is being prepared in Chihuahua? We do not know. But should there be any fraud, we will report it. The PSUM will support the people of Chihuahua."

Tavira of the PPS said: "PAN's propaganda in Chihuahua is completely American and offends destitute people like the Mexicans. Also, the country's sovereignty is endangered by the imperialist intervention in Chihuahua. Furthermore, the clergy has shamelessly intervened and the celebrated Ciudad Juarez Bishop Manuel Talamas has held pro-PAN meetings."

Senator Delgado said: "We will not tolerate in our country the intervention of foreign organizations that openly back the PAN. In addition, look at these articles that the PAN published during its campaign under the title 'Not Everything in Mexico is the World Cup.' According to the PAN people -- and it says so here -- Mexico represents corruption, misery, crowding...there is educational backwardness, disease, distress over the present and the future, and everything is a circus and a sham... With such publications, the PAN degrades the image of Mexico and of all political parties. The PAN is a letterhead at the service of foreigners."

Senator Delgado slipped up at this point by saying: "The opposition parties will never obtain the office of governor, much less the Presidency of the republic. If the opposition wants a seat in the Senate, let them win it..."

Now it was the turn of PRT's Penaloza, who also demanded the end of foreign intervention in the country's elections. He replied to Delgado and asked him to keep in mind that political offices are won through votes. Penaloza criticized Delgado contention that the opposition would never win a governorship, much less the Presidency. Penaloza pointed out: "Both the PAN and the PRI share the same classic stance, but the PRI uses state resources and the PAN uses industrialists' resources."

Penaloza added: "We will not accept patriotic frauds in Chihuahua. In addition, although the PRI has committed fraud, so did the PAN 3 years ago, when its members moved aboard vehicles from one ballot box to another to cast their votes again and again..."

Once again, Gonzalez Schmall took the floor. He said that Delgado had "gone astray because of power" because of Delgado's remarks that the opposition would never gain access to governorships or the Presidency of the republic. Gonzalez Schmall accused the PRI of unduly and dishonestly manipulating the people's economic resources. He pointed out: "We elected our candidates for Chihuahua during an assembly and not by the governor's instructions."

20,000 PROTEST ELECTION RESULTS IN CHIHUAHUA

PA120018 Mexico City THE NEWS in English 11 Jul 86 p 4

[By Karen R. Branch]

[Excerpt] Chihuahua -- An estimated 20,000 people crowded into the city's main square Thursday for the strongest protest yet against alleged fraud in statewide elections held Sunday, while a group of businessmen expressed support for the ruling Institutional Revolutionary Party (PRI).

Officials said final elections results will be released by the State Electoral Commission Sunday, but the PRI has claimed since Tuesday that its gubernatorial candidate, Fernando Baeza Melendez, won the elections by a landslide. The National Action Party (PAN) has claimed there were incidents of fraud in the voting and has been calling on its supporters to protest.

Baeza, who spoke during a meeting with PRI businessmen, said the election documents were signed by official PAN observers.

"We can't provide more proof to demonstrate the validity of those votes," said the PRI candidate.

"The PRI doesn't want a vote earned by corruption. We're not going to take one vote that doesn't belong to us, but we're not going to give up one vote that validly belongs to the PRI."

At noon, other private businessmen joined the PAN protest of Sunday's elections by closing down their businesses and factories until midnight Thursday.

The shutdown was announced late Wednesday night following a meeting of representatives from the Chihuahua business center and the regional chapters of Canaco [National Chamber of Commerce] and Canacintra [National Association of the Processing Industry] which represent a total of nearly 4,000 privately owned businesses.

According to Chihuahua Business Center Director Guillermo Villalobos, the shutdown was a "round success," with the "large majoraity" of city businesses and industries participating.

An afternoon survey of area businesses revealed about 30 percent had closed their doors for the protest.

Baeza, however, said the protests are based on a "sore loser" attitude on the part of the PAN.

"Elections are won with votes and not shouting in the streets," he said. "I feel that we won and I take that from logic and not from triumphalist attitude."

"If there were irregularities, then they must be taken care of by the corresponding officials, whose judgments we will accept without question."

The 20 or so businessmen who met with Baeza also criticized the protests by the PAN supporters.

"They're using the name of the private initiative to protest Sunday's election results in an irresponsible way," said Francisco Alons. "The private initiative is composed of many citizens and the immense majority is outside of this movement." [passage omitted]

ARMY REPORTS JUNE ANTIDRUG CAMPAIGN RESULTS

PA111418 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 10 Jul 86

[By Humberto Mares Navarro]

[Excerpt] The Mexican Army continues to be successful in its constant campaign against drug trafficking. National Defense Secretary General Juan Arevalo Gardoqui today reported to President Miguel de la Madrid on last month's results. From 18 June to date, the Mexican Army destroyed 42.66 hectares planted with poppies and 283 hectares of marijuana. The 42.66 hectares planted with poppies would have produced approximately 853 kg of opium paste and the 283 hectares of marijuana would have produced 283 tons of marijuana. The Mexican Army also confiscated 921 kg of packaged marijuana, 11 kg of marijuana seeds, and 1[illegible] kg of poppy seeds, and 433 weapons. The army also arrested 131 alleged drug traffickers. [passage ommitted]

DELVALLE DISCUSSES HELMS CHARGES, CONTADORA

PA092158 Mexico City EXCELSIOR in Spanish 1 Jul 86 pp 1-A, 29-A, 32-A

[By J. Jaime Hernandez]

[Text] Panama City, 30 June -- President Eric Arturo Delvalle today demanded "a little more common sense" from U.S. Senator Jesse Helms, about whom Delvalle said: "He has only succeeded in creating an anti-U.S. feeling in Mexico and Panama."

During an exclusive interview for EXCELSIOR, the president defended Panamanian Defense Forces Chief General Manuel Antonio Noriega, whom the U.S. press links to alleged money laundering, drug trafficking, and espionage. Delvalle said that, for the time being, "my country's government absolves the U.S. Government of all participation in this campaign." I am sure, he said, that the U.S. Government is not promoting this campaign and that it is not good for the United States.

He added: "Mexico and Panama share a certain bitterness today" about their relations with the United States. He referred to the attacks that Jesse Helms, chairman of the U.S. Senate's Foreign Relations Committee [as published], has unleashed against "important Mexican and Panamanian political figures." Delvalle said: This shows that Senator Helms' mind lives in another era. This, however, will not invalidate the Torrijos-Carter Treaties on handing over the Panama Canal by 2000 or halt the efforts of the Contadora Group to bring peace to Central America.

Delvalle is an extremely cautious man. He has been in office since 28 September, and received the reporter during one of his customary morning strolls in the capital's heat and rain that prevail for 9 months. The president is currently in the midst of one of his term's most difficult periods.

According to Delvalle, who is 49 years old, has greying hair, and a sharp nose, and who combines the abilities of businessman and statesman, "some members of the Panamanian opposition exiled during the Torrijos times have unleashed an attack against the Defense Forces and particularly against General Noriega," who has been described in the U.S. Capitol hallways "as the leader of an important gang of drug distributors" based in Panama.

"Senator Helms has taken up these attacks and this movement and magnified them" with an eye on the date of the fulfillment of the Torrijos-Carter Treaties. In addition, and from now to November, Helms will try "to play a leading role in efforts to influence the upcoming elections in which he will participate." He will also try to influence the appointment of new ambassadors of the so-called "Helms clan" in Latin America.

Devalle added: "For this reason, we should not be surprised about the presentation of new cases or new information to complement the picture which this senator from North Carolina has presented to the U.S. Congress about Mexico and Panama."

In an informal, yet determined tone, Delvalle reiterated his country's willingness "to sit down again at the Contadora negotiating table, to seek all necessary solutions for peace, and to end the fruitless loss of human life in the strife-torn Central American region."

Regarding his relationship with the military forces, the president, his face covered with sweat as the result of a 1-hour walk with the interviewer, said that this relationship is "excellent." "I have no complaints to make on the military's intervention in any sector."

The talk with the Panamanian president shed light on the topics and conflicts which, like a waterfall, have begun to stir the Panama of today, a country with slightly more than 2 million people.

[Hernandez] Mr President, what is your opinion about the charges presented by North Carolina legislator Helms against important political and military figures?

[Delvalle] The antecedents of Senator Helms' current stance regarding Panama go back to the time of the treaties, when not very favorable remarks used to be made against the United States' handing over of the canal to our country. Our relationship with Helms began at this point. Someone has said that Helms acts like this because he has some sort of contract here in the canal zone, which he would lose with the fulfillment of the Torrijos-Carter Treaties, signed in 1977.

In addition, we understand that Mr Helms is running for reelection. He is apparently trying to get publicity by keeping himself at the center of the people's attention. This is why, among other things, he has initiated this campaign against Mexican and Panamanian officials about matters such as drug trafficking . In our case, we see his activities as another attempt to derail the fulfillment of the Torrijos-Carter Treaties.

In the case of Mexico, we feel he is trying to have one of his friends appointed ambassador. It has been the custom to exert pressure from the subcommittee chairmanship for the appointment of several ambassadors to Latin America. They have been successful in this several times. These ambassadors belong to the "Helms clan." That is why I have no doubt that this is one of his purposes.

In addition, Helms wishes to keep, from now to November, when the elections are held, a leading role whether through new cases or "new information" about Panama or Mexico.

[Hernandez] Is this Helms-directed campaign part of the attempts to boycott the peacemaking efforts of the Contadora Group?

[Delvalle] I think so. He is one of those who thinks that the U.S. Government should opt for an invasion of Nicaragua. He is one of those who thinks that the contra aid is necessary and suitable. Undoubtedly, Mr Helms has the mentality of another era. I believe with this campaign, he is showing that he is against all Contadora member-states. In the last Contadora meeting here in Panama, the Contadora member-states drafted a document -- which has not been accepted -- that would, to some extent, reduce the differences that exist between the Central American countries and Nicaragua.

It is a document that was carefully drafted after much study, and we think that it truly takes into account the fears of both sides. The document is under study, and last week the four Contadora foreign ministers went to Washington and New York to deliver it to the OAS and the United Nations. I think that the work is nearly completed. What has been maintained is the spirit of Contadora. If the Central American countries and Nicaragua believe there is something else we can do to unite their position, either through a new round of negotiations, or efforts, we will do so.

[Hernandez] Panama, you reiterated, is willing to seek all the necessary solutions to achieve peace and to end the useless loss of life in Central America. In this regard, as the U.S. press presented it, Helms used the affairs of Gen Noriega, chief of the Panamanian Defense Forces, as an argument to cast doubts on Panamanian democracy. Noriega is accused of being a double agent who supplies information to Cuba, Nicaragua, and the United States without distinction. Do you believe the Noriega case is part of the efforts made by Senator Helms?

[Delvalle] That is a case that has been fostered by members of the Panamanian opposition groups. Those Panamanians were exiled during the Torrijos era. However, it seems that they have not realized that General Torrijos is dead. Now they wish to begin a struggle against the Defense Forces, and especially against Gen Noriega, who is the chief of that institution. Senator Helms promoted those attacks. This movement magnifies what we have here in Panama: innumerable statements made by U.S. officials -- and I mean officials of the U.S. State Department and the Pentagon -- praising the Defense Forces for their help in controlling the drug traffic. Thus, Senator Helms is contradicted by all this, even though he continues to repeat over and over, in the U.S. Capitol's hallways, the charge that Gen Noriega was the "capo" of a large mafia group which distributed drugs.

[Hernandez] Did Senator Helms' position achieve its purposes? Have his statements affected relations between your country and the United States?

[Delvalle] Here in Panama there is a group of people who definitely hold all this against the U.S. people. A while ago, I said I am sure this is not a provocation, and has nothing to do with official sources of the U.S. Government. I think that this is the product and the invention of Mr Helms' mind. Internally, his statements have caused several reactions: The first one is that Panamanians have again waved the flag of unity, because if there is one thing that brings us together, it is the canal, which we want to be turned over to Panamanian hands in 2000, if not sooner. The other reaction is that indeed, those statements have caused a bigger political division between the government and the opposition groups, which became the promoters of the campaign against Gen Noriega, and against Panama. We have always had a difficult relationship with the United States, which stemmed from our demands to recover the canal zone, but despite all this, my government clears the United States of any participation in this campaign.

[Hernandez] Giving your words the specific weight of the Panamanian presidency, what message would you send to Senator Helms?

[Delvalle] I would say that a U.S. senator, particularly one with the years of service he has, and the position he occupies, chairman of his country's subcommittee on foreign affairs, should have more judgment, more good sense, when making statements about important people of friendship countries. Such statements could turn on him. Rest assured that at this moment, Mexico and Panama share a certain bitterness, a certain unpleasantness toward the United States. Our Latin American brothers, even though they are not involved, surely must think: When will it be our turn and why? For example, in Peru something could suddenly be unleashed if President Alan Garcia were to suggest a meeting of presidents to discuss the issue of the foreign debt. The question is: will Senator Helms intervene again? Up to now, all that he has done is create animosity and an anti-American feeling against his country. I am sure that this is not what the U.S. Government wants or is looking for.

[Hernandez] Mr President, do you foresee additional pressures? I am asking this in view of the negotiations regarding the foreign debt, and other matters related to financial issues, like the banking sector. Do you feel that more pressure will be exerted by the U.S. Administration in the coming months or years?

[Delvalle] I am going to be very frank. As far as the Canal is concerned, President Ronald Reagan was one of the main opponents of the Canal [treaties]. President Reagan, who was at that time governor of California, was on a trip to the Far East when he said that he did not agree with the outcome of the vote, which authorized President Carter to sign the treaties with Panama. The comments President Reagan made to members of the press at that time who were familiar with his position were that this was the law of the land and he would respect it. Never again after that meeting has President Reagan made another statement concerning the return, or not, of the Canal to Panama. He is keeping his word, he is respecting the law of the land. Therefore, we do not foresee that.

Now, regarding our participation in Contadora, I have talked with the two U.S. ambassadors to the Central America area, Harry Shlaudeman and Philip Habib, and in neither case has there been any type of pressure regarding the way our country participates in the Contadora process.

The United States has been very cautious, and let us be frank, very exact in their choice of words. All very restrained, but they express their position and respect for our position. They have agreed with Panama on Contadora, but on other aspects we have differed. However, they understand that it is we who are making the effort, and Panama has followed the course as long as it believed that that is what it should do. It is practically impossible for the U.S. position to fully coincide with the position of the Contradora member countries, but we Latin Americans are the ones who have been concerned over our brothers. We are the ones who believe we can understand each other and seek a solution.

[Hernandez] Mr President, Panama is in one way or another a crossroad of many realities. I am thinking, for example, of gun-running, of drug trafficking, and the financial business derived from them, for example, the banking secrecy. Could you offer a realistic insight of Panama as this kind of crossroad?

[Delvalle] Panama, because of its geographic position, because of its maritime canal, continues to be, as it was in the past, a great convergence point of voyages from north, south, east, and west. It is obvious that "transshipment operations" can be carried out in Panama. Mind you, this has become very risky. However, I repeat, we have DEA letters saying how great the collaboration of the Panamanian Defense Forces in drug control has been.

As far as a banking center and money laundering goes, there is no law in Panama to protect the secrecy of bank accounts. What Panama has are laws that make the secrecy of bank accounts appear as if there were such laws, but specifically there is no law on the secrecy of bank accounts. What is allowed here is numbered accounts, as exist in many parts of the world. This has been used by the United States to ask for investigations on the origin of many accounts. We have definitely refused such requests.

But apart from this, the first thing we would have to do is to identify the problem: is money laundering taking place? How is it being done? Through cash? Through the transfer of cash?

We have for some years established strict control on the amount of cash deposited in each bank. There is a file on every bank in Panama. A limit has been set for each bank, which is verified every month, because it has to go through the clearing house. Through this system we have obtained better control. Panama definitely does not want a bad name, nor does it want to launder money. Then, let us specify the problem, to know what we are talking about. The measure we have established has reduced the laundering that takes place anywhere. Besides, the money that comes from the United States is already laundered when it comes to Panama through various enterprises and mechanisms.

[Hernandez] How would you define the relations between the Defense Forces and the Executive Branch?

[Delvalle] They are excellent. As you very well know, in 1968 we had a military coup led by General Torrijos. I would say that the agreements reached by Torrijos with the Carter administration were part of the effort to restore democracy in Panama. Thus after 16 years of military government, he (Gen Torrijos) began the process.

Another significant moment came with the case of Ardito Barletta, elected to the presidency in 1984 and deposed in 1985. I want you to know that this took place after 11 months of frustration, 11 months in which the economy was stagnant and the entire country was in a permanent state of depression. Here everything was in crisis.

Part of these [crises] were invented by Ardito Barletta in an attempt to get approval of tax legislation. Other crises were created in the industrial and labor sectors to strengthen our commitment to the IMF.

This situation made him begin to lose credibility among the groups closest to him. He had been a banker and economic planning minister. The business and agricultural sectors began to protest. The labor sector, with which there never was an understanding, also did its part. Then, the process of credibility began to deteriorate to the extreme, what he was doing was ridiculous.

He left for the United Nations and when he returned, the members of the National Assembly who had supported him told him that they were no longer going to support him anymore and that for the good of the country he should resign. Then the famous 14-hour meeting took place in which he offered to make some amendments. But the National Assembly official wing refused.

[Hernandez] What about the military's participation in this movement?

[Delvalle] What happened was that the military were receptive to the complaints of the legislators and when he arrived at Torrijos Airport, the military told him that they wanted to talk to him to discuss some serious problems. He answered: Yes, but I am going home to drop off my wife and then I will be there. This talk, which could have been held in his home, at the Presidency, or anywhere else, was held at the Defense Forces Headquarters. Unfortunately, that is how it was...this was the notice of his ousting ordered by the military.

From there he went to the Presidency in his own vehicle. He called a televised meeting of his Cabinet and told the nation that in view of the difficulties and differences he had with the political groups which took him to power and the Defense Forces, he had decided to remove himself from his post. That is the story. I have nothing to complain about them (the military) not in any way.

[Hernandez] What would you say about those versions which say that the military boots rule that country, or that Gen Noriega is the strongman?

[Delvalle] Let us be frank. I realize that it is unusual in a Latin American country for a president who does not have support in Congress to give up just like that. It is also unusual for a president to leave in his own vehicle from the military headquarters and then resign. But that is what happened. The image it caused was bad, no doubt about that, and it will take a long time for it to clear up. But I repeat: the participation of the military takes place only when I ask them for help to define positions. They can help me more than the civilians.

ATTORNEY GENERAL CONFIRMS REPORTER'S ASYLUM REQUEST

PA110431 Panama City Televisora Nacional in Spanish 0000 GMT 11 Jul 86

[Text] Despite contradictory reports on the whereabouts of reporter Guillermo Sanchez Borbon, directors from the newspaper LA PRENSA reported that Sanchez Borbon has taken asylum in the Venezuelan Embassy. However, Tibisay Urdaneta, counselor minister of the Venezuelan Embassy, denied that Sanchez Borbon, or any other person, has taken asylum in the diplomatic mission. However, ACAN-EFE released a dispatch dated in this capital reporting that columnist Guillermo Sanchez Borgon took asylum last night in the Venezuelan Embassy. Late this afternoon, Attorney General Carlos Villalaz made the following statement when questioned:

[Begin recording] The Attorney General's Office learned this afternoon by telephone that Sanchez Borgon requested political asylum at the Venezuelan Embassy. I want to make it clear that in the case of Sanchez Borbon there is no place for political asylum, inasmuch as he was summoned to the district attorney's office according to an ordinary legal procedure of the Panamanian laws. He was not summoned for a political offense, but to answer charges that fall under the republic of Panama's ordinary jurisdiction.

Abadia Denies Persecution

PA121444 Panama City Circuito RPC Television in Spanish 1730 GMT 11 Jul 86

[Interview with Foreign Minister Jorge Abadia Arias by unidentified reporter; date and place not given -- recorded]

[Text] [Abadia] We received a note yesterday from the honorable Venezuelan Embassy in Panama, stating that Mr Sanchez Borbon requested asylum at the Venezuelan Embassy. In his note, the ambassador states that, although there is no juridical definition of what an asylum seeker is yet, and in keeping with a common tradition, they offered him protection inside the embassy. According to the note sent to us by the ambassador, Mr Sanchez Borgon claims that his life is being threatened, and therefore the Venezuelan Embassy is offering him protection.

[Reporter] What has happened since the official communique from the Venezuelan Embassy in Panama regarding Mr Sanchez Borbon's presence there?

[Abadia] Well, after receiving the note, we immediately sent a reply to the Venezuelan Embassy, stating that we are surprised that Mr Sanchez Borbon requested political asylum, because he is in no way being persecuted, nor has his life been threatened. There is not even an arrest order against him. The only thing we said in our note to the ambassador is that Mr Sanchez Borbon can move freely about the national territory. He can even leave the country if he so desires, as long as he fulfills the legal requirements of an indictment at one of our justice tribunals where he is wanted for questioning in a common crime case. Mr Sanchez Borbon is not being politically persecuted in any way.

He harbors fears and concerns; he can rightfully have such concerns, and we respect Mr Sanchez Borbon's feelings and fears, but we are fully convinced that there is no threat against his life from any government source in our country.

Therefore, we sent this note to the Venezuelan Embassy, and with the corresponding authorization from the president of the republic, we met with the attorney general of the nation to facilitate Mr Sanchez Borbon's departure.

Embassy Issues Note

PA131836 Panama City EL SIGLO in Spanish 12 Jul 86 pp 22, 24

[Note sent by the Venezuelan Embassy in Panama to the Panamanian Foreign Ministry, dated in Panama City on 10 July]

[Text] The Venezuelan Embassy presents its best regards to the distinguished Panamanian Foreign Ministry and regards it an honor to inform it that last night Panamanian citizen Guillermo Sanchez Borbon requested political asylum from Venezuela, because he considers that his life is in danger.

Thus, in accordance with the norms established by international public law, the chief of the Venezuelan diplomatic mission granted asylum to journalist Guillermo Sanchez Borbon, until the Venezuelan Government expresses its views in this regard.

The Venezuelan Embassy seizes the opportunity to reiterate its warmest regards to the distinguished Panamanian Foreign Ministry.

Panama, 10 July 1986

To the distinguished Foreign Relations Ministry

Ministry Answers Note

PA131844 Panama City EL SIGLO in Spanish 12 Jul 86 pp 22, 24

[Note sent by the Foreign Ministry to the Venezuelan Embassy in Panama, dated in Panama City on 10 July]

[Text] The Foreign Relations Ministry presents its regards to the distinguished Venezuelan Embassy and has the honor of acknowledging receipt of its kind note p-498, dated 10 July 1986, in regard to the diplomatic asylum requested last night by Panamanian citizen Guillermo Sanchez Borbon.

The Foreign Relations Ministry must inform the distinguished Venezuelan Embassy of its surprise at the content of this kind note, because there is no persecution or threat against the aforementioned Mr Sanchez Borbon. He can freely move in and out the national territory, as the Constitution of the Republic of Panama establishes, and guarantees. He is only subject to the matters that are being discussed in the ordinary courts of justice. In this case, it seems that we are dealing with a personal or political action for publicity purposes, in which the Panamanian Government will not participate. However, we leave it up to the discretion of the distinguished Venezuelan Government, to make the final decision on this case.

The Foreign Ministry seizes the opportunity to reiterate to the distinguished Venezuelan Embassy the expression of its warmest regards.

Panama, 10 July 1986

To the distinguished Venezuelan Embassy

Abadia: No Safe-Conduct

PA121452 Panama City Televisora Nacional in Spanish 0000 GMT 12 Jul 86

[Text] Foreign Minister Jorge Abadia Arias said today that the case of reporter Guillermo Sanchez Borbon, who took asylum in the Venezuelan Embassy, seems more like a personal rather than political decision, carried out for propaganda purposes, and the Panamanian Government cannot approve this.

[Begin Abadia recording] We cannot issue a safe-conduct in his favor, because he is not entitled to political asylum. The only way the Foreign Ministry will issue a safe-conduct is if a person is entitled to political asylum, and Sanchez Borbon does not come under that category. His status does not conform to the legal aspects of a person seeking political asylum. Sanchez Borbon is under the protection of the Venezuelan Embassy. At this moment the Foreign Ministry is trying to make arrangements for his departure from the country, since that is what he wants to do. Meanwhile, we are trying to reach some sort of agreement, inasmuch as we cannot make decisions for the Judicial Branch. The attorney general has been trying to clarify the legal aspect of the problem so that political incidents are not used as pretext to evade Panamanian justice. [end recoording]

Departs for Venezuela

PA132350 Panama City ACAN in Spanish 2300 GMT 13 Jul 86

[Excerpts] Panama City, 13 Jul (ACAN-EFE) -- Guillermo Sanchez Borbon, columnist of the opposition newspaper LA PRENSA, who took asylum last Wednesday in the Venezuelan Embassy in this capital, left today for Caracas under special security measures. Sanchez Borbon, 59 years old, arrived at the airport accompanied by Enrique Peinado Barrios, Venezuelan ambassador to Panama, and went directly to board the plane without talking to waiting reporters.

Sanchez Borbon took asylum in the Venezuelan diplomatic mission a few hours before he was to have appeared at the district attorney's office for questioning regarding a slander suit lodged against him by another reporter.

Carlos Nunez, a reporter for the progovernment newspaper CRITICA, accused Sanchez Borbon of saying that Nunez had insulted the memory of the former Panamanian guerrilla Hugo Spadafora, who was beheaded in September 1985 under circumstances that have not been made clear yet. [passage omitted]

Carlos Cuestas, Sanchez Borbon's attorney, said yesterday at the airport that the Venezuelan Government did not grant an asylum petition requested by Sanchez Borbon's family and instead had issued him a special visa, in the guest category, and had paid his fare to Caracas.

A judge in Panama City agreed to grant Sanchez Borbon a permit to leave the country for 2 months, allowing him to go to Venezuela, where Sanchez Borbon has a sister.

FINANCE MINISTRY TO AUDIT CANAL COMMISSION

PA111854 Panama City LA ESTRELLA DE PANAMA in Spanish 11 Jul 86 pp A-1, C-14

[By Edmundo Dante Dolphy]

[Text] Since the Panama Canal Commission is a taxpayer to the national treasury, the Finance Ministry, using its legal powers, will send its auditors to the commission to perform the customary audit examinations this ministry carries out.

According to information in the Finance Ministry bulletin EL HACIENDISTA, this measure is the result of the Panama Canal Commission owing 54 million balboas, without interest, becoming the biggest debtor of the National Treasury." [quotation marks as published]

EL HACIENDISTA reports, through the Finance and Treasury Minister, that the Panama Canal Commission has been deducting an annual sum of approximately 8.6 million balboas for services provided to several state organizations. Article XIII, Paragraph "C" of the Panama Canal Treaty establishes the following:

"An annual amount of up to 10 million United States dollars ($10,000,000) per year, to be paid out of Canal operating revenues to the extent that such revenues exceed expenditures of the Panama Canal Commission including amounts paid pursuant to this Treaty. In the event Canal operating revenues in any year do not produce a surplus sufficient to cover this payment, the unpaid balance shall be paid from operating surpluses in future years in a manner to be mutually agreed upon."

The Finance Minister believes that this article has not been complied with because "almost 7 years after the Panama Canal Treaties went into force, the Republic of Panama has not received the complete annual payment from the United States, as established in the aforementioned article."

Moreover, the ministry has also reported that the Panama Canal Commission is deducting from the sums that should be received by the national treasury monies for services provided to several state organizations, a monthly sum of approximately 717,000 balboas, that is, approximately 8.6 million balboas yearly.

Because of the preceding, Finance Minister Dr Hector Alexander has noted that since the Panama Canal Commission owes the Republic of Panama more than 54 million balboas as of this date, the deductions made for services provided to several state institutions should be made from the 54 million balboas, without interest, owed to Panama.

Regarding the audit of the Panama Canal Commission by officials from the Finance Ministry, this is based on the Fiscal Code, Article 1 of which reads:

"The public treasury comes from the collection of public property, public revenues, taxes, stock, and services pertinent to the state."

The national treasury comes from the monies received by the state, especially from the following: national public property, national services, public revenues, and taxes.

Therefore, the Finance Ministry, using its legal powers, has the intention of sending its auditors to the Panama Canal Commission.

U.S. Opposes Audit

PA111725 Panama City MATUTINO in Spanish 11 Jul 86 pp 1, 8 A

[Text] The five U.S. members who participated in the meeting of the Canal board of directors flatly opposed a Panamanian proposal to permit Finance and Treasury Ministry advisers to audit and analyze the accounting books of the Canal Commission. They argued that the Canal Commission is under the U.S. Government and to permit such a step would violate U.S. sovereignty.

This attitude has surprised the Panamanian members who found no reason for it because as members of the Board of Directors, they have access to the accounting books to analyze all the information related to the operation, management, and administration of the canal so as to check not only the revenues and expenditures, but also the surpluses.

In view of this attitude by the U.S. members, bankers, businessmen, and observers who closely follow Panama's development as an international banking center have said that such an attitude is contradictory if one compares it to the proposal of a U.S. delegation that recently resumed -- at Panama's invitation -- the talks to view the problems involving the possibility of a mutual cooperation treaty to stop financial operations stemming from drug trafficking.

It has been learned that in those meetings, the United States requested that it be granted access to information on the bank accounts and clients of the system.

Our sources indicate that such a request does not agree with the other attitude because when Panama needs accounting information to verify the administrative progress in a joint enterprise, the United States claims that this would violate its sovereignty and at the same time it not only demands, but exerts, pressure to obtain information that "cannot be granted" from every legal viewpoint and from the standpoint of sovereignty.

As is known, Panama maintains that it will protect and will not harm banking secrecy and on the contrary, that it seeks to strengthen it.

These talks have united the banking and business community, press circles, and even opposition politicians, who are demanding that the government maintain a firm and unwavering position so that banking secrecy and our sovereignty will not be harmed in any way.

RIOT POLICE DISPERSE STUDENT DEMONSTRATION

PA121607 Panama City EXTRA in Spanish 12 Jul 86 pp 1, 2

[By Marcelino Rodriguez B.]

[Text] Yesterday the "Dobermans" of the Defense Forces used at least 50 tear gas bombs to disperse the university students protesting in the streets surrounding the University of Panama the judicial persecution of Professor Miguel Antonio Bernal.

The incidents occurred in the afternoon hours when groups of students from FER-29 [Revolutionary Students Front], Accion, Guaycucho, other groups, and from the Law School occupied the streets, which forced the intervention of the patrols with forces from the riot police squad known as the "Dobermans." The students carried posters which read "Freedom for Bernal, Noriega drug addict." The soldiers beat the students, destroyed three vehicles belonging to professors, and seized some cameras.

"Dobermans" posted on the Transisthmian Highway and the Tumba Muerto overpass beat the students participating in the demonstrations with clubs.

The protests started in this city last Wednesday when Professor Miguel Antonio Bernal was arrested and taken to El Renacer prison, where he remained until a $5,000 bail was paid. Bernal then sought shelter at the University of Panama.

The "Dobermans" entered the university campus, violating the autonomy of the University, and assaulted and damaged several buildings of this educational institution.

It was reported that the academic vice-rector, Pedro Salazar, "cried" when he saw the university invaded by the gorillas. It was also reported that the University has been closed.

MINISTRY ORDERS 2-DAY CLASS SUSPENSION IN SCHOOL

PA131447 Panama City Televisora Nacional in Spanish 0000 GMT 13 Jul 86

[Text] By order of the Panamanian Ministry of Education, classes at the Melchor Lasso de la Vega Arts and Crafts School will be suspended on Monday, 14 July, and Tuesday, 15 July. The official announcement, which was made through an official communique issued today, indicates that the closing of the arts and crafts school on Monday and Tuesday will facilitate the assessment of yesterday's incidents, during which Via Bolivar was blocked and the area disrupted by general disorder.

COSTA RICA

NARANJO ANNOUNCES 15-PERCENT BUDGET CUT

PA101922 San Jose Radio Reloj in Spanish 1200 GMT 9 Jul 86

[Text] Last night, 8 July in a talk on network television, Finance Minister Fernando Naranjo said that Costa Rica is still far from overcoming its economic crisis. He added that the economic situation improved slightly in 1986 and it is hoped that this trend continues into 1987.

The profound changes needed in the national economy should not be put off any further. It is expected that production will increase approximately 3 percent, according to a brief analysis of the national economy made by the finance minister. He added that the increase in prices decreed a few weeks ago was the lowest of the last few years, and hopefully, they will not increase again. The aim is for inflation not to increase more than 10 percent, taking into account different indexes.

The Central Bank debt hinders the production process. Subsidy policies should be eliminated, because if such a situation continues national production will be hampered, as the credit needed to reactivate the economy would be lacking owing to a loss of 9 billion colones that this issuing entity is suffering.

Policies are need that strengthen credits for peasants, industrialists, farmers, cooperative members, craftsmen, and other sectors.

The Central Bank cannot continue subsidizing exchange rates. The policies adopted by the Central Bank to subsidize the exchange rates should be eliminated, according to Finance Minister Fernando Naranjo. He said that owing to that policy, the Central Bank is in great debt and that Costa Rica has one of the highest foreign debts. He added that to remedy this situation, drastic steps will have to be taken and that the beneficiaries will have to pay in the future.

Finance Minister Fernando Naranjo said that public debt and tax adjustments should cease being obstacles to the development process. He feels that they should be converted into elements that aid in the economic transformation that Costa Rica should carry out in the next few years. He added that each colon spent on public administration should be channeled toward high-priority activities. In this connection he stated that instructions have been given for the budget to be reduced by 15 percent.

ARIAS, HABIB DISCUSS REGIONAL SITUATION

PA111613 Panama City ACAN in Spanish 0250 GMT 11 Jul 86

[Text] San Jose, 10 Jul (ACAN-EFE) -- Philip Habib, U.S. special envoy for Central America, and President Oscar Arias Sanchez today analyzed the political and military situation of the region here. Habib, on his fourth trip to the isthmus since he was appointed special envoy in March, arrived in San Jose today on the first leg of his trip to Central America. Foreign Minister Rodrigo Madrigal Nieto, Presidency Minister Rodrigo Arias, and U.S. Ambassador Lewis Arthur Tambs were also present at the meeting.

Following a 2-hour meeting with President Ronald Reagan's special envoy, President Arias said: "We have had an in-depth talk on how we see the future of the region and the possibility of achieving peace through negotiation and dialogue and not through confrontation."

Arias Sanchez, who described the talks as "very friendly," said that he and Habib had talked about the economic problems faced by Costa Rica and that the U.S. official had promised to support more U.S. financial aid.

Arias also said that he and Habib had discussed distribution of the $300 million approved by the U.S. Congress on 25 June when it also approved the $100 million in military and humanitarian aid to the anti-Sandinist contras. The $300 million is being allotted to Guatemala, El Salvador, Honduras, and Costa Rica. "We spoke of the conditions and when the $300 million will be disbursed," the Costa Rican president added.

The Costa Rican president said that they had discussed the upcoming meetings of the Guatemalan, Salvadoran, Honduran, and Costa Rican foreign ministers. The meetings will begin in the next few weeks and are aimed at concluding discussion of the Contadora Document presented on 6 June. "It was a very friendly meeting during which we agreed on many things," the president added.

The foreign ministers of these four Central American nations will meet in Guatemala on Tuesday to conclude the drafting of observations on Contadora. The ministers will discuss verification and control and the implementation of the agreements. Hibib will travel to El Salvador, the second leg of his Central American tour, where he will meet with Rodolfo Castillo Claramount, Salvadoran foreign minister and vice president.

EL SALVADOR

REBELS SEIZE RADIO STATIONS, AIR MESSAGES

PA111609 Hamburg DPA in Spanish 0154 GMT 11 Jul 86

[Excerpts] San Salvador, 10 Jul (DPA) -- Salvadoran rebels took over two radio stations this afternoon and broadcast antigovernment messages protesting what they called the repression of the country's working classes. The rebels identified themselves as "working militiamen" of the FMLN and forced approximately 21 employees at the radio stations "Radio Cadena 1080" and "Radio Cadena", which operate in the same building, to broadcast two recordings for a period of 10 minutes.

Police authorities arrived minutes later and interrupted the broadcasts. They released the employees, who had been locked up in a room and warned by the guerrillas that if they removed the cassettes a bomb would explode in the booth. This proved false, the police said.

In the broadcast message the FMLN asked "to strengthen the organization and struggle of the people, meaning the ranks, organizations, unions; in other words, to organize the people's militias and counter the repression of the workers' armed struggle." The workers were greeted and told that no repressive actions would go unpunished. The phrase "Yankees, get out of El Salvador" was heard at the end of the message. [Passage omitted]

REBELS BARRICADE AIRPORT ROAD, CLASH WITH ARMY

PA111735 San Salvador EL MUNDO in Spanish 8 Jul 86 p 3

[By Rene Hurtado]

[Excerpts] The government and airline company employees who work at El Salvador International Airport have voiced concern over an armed clash that broke out on 4 July on the Comalapa highway to the international air terminal. On that night FMLN guerrillas erected a roadblock and demanded the so-called "war tax" from the drivers of all passing vehicles.

The workers said: "It was the first time that rebels have taken control of that highway and fired on the motorists who did not obey their signals to stop. This is dangerous for those of us who leave [the airport] between 2000 and 2200, when flights are delayed." They explained that several flights arrive at approximately 2000 every evening, and that although it is admittedly difficult to cancel those flights, then "the least that should be done is to increase security along that highway, particularly at night. An exchange of fire between the rebels and the Army poses danger to airport employees, travelers, and their friends or families." [passage omitted]

On 4 July a group of guerrillas blocked the road for 1 hour, during which they stopped vehicles and collected a "war tax" from their drivers. The guerrillas fired on the motorists who did not stop. No one was wounded. Army personnel arrived at the site, and a clash ensued, forcing many people to turn back toward the airport, and others to take the old road to Zacatecoluca.

The extremists placed the roadblock near the second toll booth, near Olocuilta, in La Paz." [quotation marks as published]

FMLN-FDR PRESENT TERMS FOR PEACE AGREEMENT

PA120244 (Clandestine) Radio Venceremos in Spanish to El Salvador 0047 GMT 12 Jul 86

[Communique from the FMLN General Command and FDR Executive Committee, dated in El Salvador on 10 July 1986; read by Commander Joaquin Villalobos -- live or recorded]

[Text] Political Offer to the Country's Various Social Sectors Seeking a Solution to the Conflict

Salvadoran society is a victim of the prolonged economic, political, and social crisis which has worsened during these 6 years of war. Engineer Duarte's government arose in 1984 as an alternative and a solution to the national crisis, but the 2-year administration has led only to a bigger war, greater surrender of our national sovereignty to the Reagan administration's interests, higher inflation, more taxes, more unemployment and poverty, increased loss of life, and much more destruction.

The facts have proved that the Christian Democratic government cannot solve the crisis. The organizations which comprise the FDR-FMLN have struggled for many years to attain a solution to this crisis, combining political and military efforts. For the last 5 years we have insisted on the need for a political solution to the conflict. We have proved that despite the increased U.S. military involvement in El Salvador, the FMLN cannot be militarily defeated.

The dialogue we began with the government at La Palma was suspended by the government unilaterally, and the renewal of this dialogue seems to be more of a response to the regime's need to somehow recover its deteriorated political image than a serious effort aimed at attaining a negotiated political solution to the conflict.

In addition, it is evident that a process to reorganize all the country's social forces needs and is marked by the search for solutions to the current national crisis. It is increasingly evident that if the national conflict is not resolved, it will not be possible to effect a recovery. Consequently, various sectors seek an alternative which allows them to make the necessary contributions to the country's reconstruction. The FMLN-FDR are aware of this situation, and we have ascertained a consensus among the Salvadorans which might be the basis for attaining peace with dignity for all Salvadorans. We have also ascertained the development of an increasing willingness among the Salvadorans to solve the national crisis for their own sake and with the intention of really beginning to be owners of what has always been ours: El Salvador.

Based on these considerations, the FDR-FMLN present the following political proposal to all the country. We have kept in mind, while drafting it, the various opinions and hopes which all the political and social sectors have shared with us in recent months. We have also taken in consideration our analysis of the national problems. Above all, we want to defend the interests of all the Salvadoran people. We do not claim to be absolutely accurate. Quite the contrary. On this occasion we present our proposals and we hope this leads to a great national dialogue. Our proposal is responsible and flexible. It is responsible because the contents of our proposals include our fronts' firm decision to fulfill them, to subscribe to whatever solutions are attained through the national dialogue. It is flexible because we do not think that our proposal is the final word of the FDR-FMLN. Instead, it represents our contribution to the discussions for attaining a national consensus that must state the pluralism of opinions and positions which characterize our society.

Consequently, several of our proposals are not fully developed because we believe that a sincere and open negotiation will eventually attain such development. Our experience from the last 2 years proves that even though the dialogue between the government and our fronts represents the generalized hope of our population, it is extremely precarious because the government has interrupted it for over 18 months. We are still convinced of the need to hold a dialogue among the parties involved in the conflict, but we are also aware of the limitations and deficiencies of such a dialogue. Thus, ever since the first meeting was held at La Palma, the FDR-FMLN discussed the need to include all the national sectors in the process to attain a political solution.

Upon addressing this statement to all the political and social forces in the country, particularly our fronts, we seek to take another step toward the construction of a national dialogue which becomes the mechanism necessary to lead the country into a new phase of reconstruction and economic, social, and political process. If the country's future belongs to all of us, we must all contribute to achieving a political solution.

Declaration

The FDR-FMLN state the following to the Salvadoran people and the world:

1. We are willing to participate in a national dialogue with all the forces and sectors interested in a political, patriotic, and democratic solution to the conflict in our country, in order to attain the peace with justice and dignity which our people hope for.

2. We pledge to hold a dialogue with all sectors, without social, political, or ideological distinctions, including civilians and military forces, which are really interested in preparing a draft political solution and struggling so that it becomes a reality.

Bases for the Pledge

1. A solution among Salvadorans -- The solution must be sought and agreed upon among. Salvadorans. The solution must fully recover our national sovereignty and independence This is the only way that the Salvadoran people may ensure the possibility of exerting their right to self-determination and to exercise democracy to choose their own destiny. This specificially means that the U.S. Government will stop meddling in our national conflict and cease its military and political participation in the same. The political solution must ensure the nonalignment of our nation. In other words, the nonparticipation in a military alliance with other parties or military blocs, or in a specific political alignment with other countries or powers, except when it concerns world peace, disarmament, and unity for the defense of joint Latin American interests.

2. A broad and pluralist government -- The political solution must be the result of a pluralist participation and collaboration in the struggle to attain this. The regime which emerges from this solution must guarantee the said ideological and political pluralism. In order to safeguard and ensure that the terms of this political solution are fully implemented, the government must be reorganized to include representatives of all the sectors, through the parties, organizations, individuals, and other forms of representation. Those who do not wish to attain a political solution will exclude themselves. These sectors advocate a political solution but also sympathize with and support the United States' ideological influence. We respect that right, as the other sectors' right to support their own ideology and democratically struggle for said ideology should be respected. The broad participation of all the government sectors would guarantee that the dialogue agreement for a solution to our national crisis will be respected.

The FDR-FMLN would be part of the government. The government would be provisional, and it would fulfill the basic tasks outlined in the definition of a political solution. This includes organizing free and honest general elections, so that the people may decide what road will be taken and who will exert power. We hope to exercise powers. This is a legitimate hope and we struggle to attain this. Under conditions of a fair policy and once the conditions for honest and free elections are met, we would participate in said elections. This would be the way of establishing an alternative that was violated by the dictatorships and caused a just and legitimate revolutionary war, which would undoubtedly continue if the U.S. Government precludes a political solution. The government chosen in these elections must adopt firm and strict measures to end corruption and begin a process to purge the administrative sector, particularly at the highest level.

3. A cease-fire once the government is reorganized -- a cease-fire must be declared in order to ensure that the government adopts the measures outlined in the political solution. The FDR-FMLN pledge to agree on a cease-fire once the government is installed and will contribute to creating and maintaining the necessary conditions so that the terms of a political solution are implemented. Once the cease-fire is decreed, the FMLN would maintain its army and weapons, and the government's Armed Forces would also remain organized and armed. A negotiated solution to the problem about the existence of two armies would be sought within the framework of the new government. The FMLN pledges to participate in good faith in the negotiation.

4. Beginning of an economically just regime -- The political solution must include social justice and respect for the economic interests of all the sectors which patriotically pledge to seek said solution. Consequently, the new government must enforce the following measures:

A. Abolish the packaged swindle's measures which violate the people's interests.

B. Launch basic reforms which should be approved through a national dialogue, basically in the agrarian, banking,and foreign trade sector. The agrarian reform must solve the land problem in favor of the working majorities and the small and medium-sized farmers.

C. Outline an economic reactivation program which seeks a solution to the unemployment problem and the distribution of wealth.

D. Respect private property and free enterprise rights of all the sectors which pledge to attain a political solution, with the limitations included in the reform program.

E. Develop a mixed economic system which combines, in various ways, the enterprise sector and private property, and the enterprise sector and state-owned property.

5. Democrary and recovery of human rights -- The political solution must: carry out an authentic democratization process and instail a regime which preserves and respects human rights, guaranteeing an end to repression and all forms of violations of human rights; effectively annihilate repressive organizations and human rights violators; guarantee the return of displaced people and refugees to their places of origin, guarantee absolute respect for all individual and collective freedoms and democratic rights; create the necessary structural and political conditions to hold free and honest general elections, and organize said elections.

6. Peaceful foreign policy -- The government which emerges from this political solution must ensure a regional policy of peace, nonintervention, self-determination, and independence. It must likewise advocate political solutions to conflicts in the Central American area, support international detente, and sponsor sovereign relations with all the states -- based on each of the states' social interests. It must advocate friendly relations of mutual collaboration with the United States, based on equal rights and mutual respect for sovereignty and independence.

Upon preparing this declaration, we are encouraged by a high sense of responsibility toward the people and the nation, assuming our responsibility in the promotion of a fruitful national dialogue. We offer this contribution to solve the above-mentioned problems so that it might serve as the basis for discussing and building the political solution which would allow us to overcome the deep national crisis. We are sure that this will be possible with the contribution of all the sectors who pledge to attain a just, democratic, and independent peace.

We reassert our willingness to attain peace and our confidence in the people's capacity to struggle, as proved throughout the war. We also state our firm decision to continue the struggle in case the U.S. Administration boycotts the political solution which is sought by our people and front.

El Salvador, 10 July, 1986

FDR Executive Committee; FMLN General Command.

DUARTE INVITES SHAFIK HANDAL TO DIALOGUE

PA122030 San Salvador Radio Cadena YSU in Spanish 1800 GMT 12 Jul 86

[Text] President Jose Napoleon Duarte today invited guerrilla commander Joaquin Villalobos to talk face-to-face. At the same time, he asked Shafik Handal, secretary general of the Communist Party of El Salvador, not to let Villalobos manipulate him. The Salvadoran president addressed more than 10,000 people at the San Francisco Gotera Stadium this morning. He again urged the rebels to rectify their attitude and to reincorporate themselves to the democratic process. The president said that the only way to overcome the Salvadoran crisis is by taking the path of peace, and thus reiterated his willingness to hold a third dialogue.

Duarte, whose speech was transmitted by a local radio station in San Miguel, appealed on several occasions to the guerrilla to hear the clamor of people who are thirsty for peace. Duarte said that Shafik Handal and Villalobos are wrong, adding that therefore the government can develop a national plan entitled United For Reconstruction.

If Joaquin Villalobos insists that he does not want to talk, I invite Shafik Handal to come forward to talk. He understands the meaning of the term peaceful coexistence. He understands, because for many years he has tried to find a solution through democracy. I invite Shafik to come and talk with me about the peace of our homeland, the Salvadoran president said. Here is part of his statement:

[Begin Duarte recording] Dear friends: I believe it is clear then that we must define ourselves. Therefore, I am going to ask you to raise your hands if you agree with me. Do you agree with me that peace must be based on democracy? [crowd shouts: "Yes"] Louder please! [crowd shouts: "Yes"] Now, all of you raise your hands, so that the television cameras can film you. Where are the cameramen? Come this way so that the whole country can see the thousands of people who are here raising their hands saying that peace must be based on democracy, that peace must not be based on dictatorship or Marxist totalitarianism, and that Villalobos and Shafik Handal are wrong, that the guerrillas are wrong, and that the only solution is to understand what the Salvadoran people want. Let us all raise our hands so that those who are in the mountains, so that the whole country can see what the people's will is. Over there in the back too, as there are others who are in the back also, there are many people in the back too. Let's see, how do we stand? Do you agree with me? All of you raise your hands if you agree with me. Thank you, dear friends.

I think that if we have a clear understanding of our position, if we know what we want, we can all work together, because this national plan, this plan entitled United for Reconstruction is based on the job that the Armed Forces, the government and the people together must do in order to achieve our objectives for peace.

I am going to participate in the dialogue. I am willing to talk, and if Villalobos insists on refusing to talk, I invite Shafik Handal to come and talk. He understands the meaning of peaceful coexistence. He understands, because for many years he has been trying to find a solution through democracy. I invite Shafik Handal to come and talk with me even without Villalobos' approval: I invite him to discuss the peace of our homeland. I ask Shafik Handal not to let Villalobos manipulate him, not to let Villalobos manipulate him [repeats himself] and to come over to talk, because the Salvadoran people will give him the necessary space to act.

We will give legal status to any political party [words indistinct] organize to exercise his rights. However, what the people will not accept is that they continue to be up in arms, that they continue killing people, destroying, or forcing the poor and humble people to leave the mountains and go to the towns where they must live from charity, and not from their own work, as all Salvadorans want.

Salvadorans: Let us then open our arms with warmth, with unity, to ask God Almighty to give all Salvadorans understanding, tolerance, and patience. Let us look up and pray to God Almighty today, asking Him to bless not only those of us who are pleading for peace, but also those who are in the mountains, so that they may be enlightened and decide to lay down their rifles and come to live with us. [end recording]

DUARTE VIEWS REBEL DIALOGUE, NICARAGUA

DW091101 Bonn DIE WELT in German 9 Jul 86 p 5

[Interview with President Jose Napoleon Duarte by unidentified reporter in the presidential palace; date not given]

[Text] The renovated presidential palace is peaceful. The garden is in bloom. A fountain ripples. Birds sing, butterflies fly through the mild morning air. "A nice day," says the young lady in the reception room. "One can like it here," she says and adds after a short pause, "Unfortunately, Duarte must still deal with old problems." Jose Napoleon Duarte welcomes us in his working room on the second floor. Popular as always he makes "abrazos" (embracing his visitors). His strong-featured mestizo face shows the strain of his work. The president wears an old gray suit. The dialogue with the FMLN is at present the main issue of political discussion in El Salvador.

WELT: Mr President, what are the chances of a dialogue?

Duarte: I am not too optimistic. First we want to find out whether they (the rebels) are interested in serious talks or only in a new propaganda maneuver. As you know the second dialogue (late 1984) was a failure because the FMLN's demands were too great, such as power-sharing. Honestly speaking, I expect humanization of the war at best. That is my only hope at the moment.

WELT: When and where will there be negotiations? Will you take part personally?

Duarte: The time and the place are not yet known. Maybe we will meet this month. If not, we will meet in August. My participation depends on the level on which the dialogue takes place. If we negotiate at the highest level (as in the first dialogue) in La Palma, I will participate.

WELT: Why do you continue the dialogue if you expect so little to come of it?

Duarte: Democracy is a permanent dialogue. You must also talk to your enemies. We have nothing to lose.

Duarte explains that he wanted the third round of negotiations to take place last year but that the guerrillas had spoiled the plans: "The Zona Rosa massacre, the kidnapping of Ines," he said. In June 1985 a terrorist group murdered 13 nightclub guests in Zona Rosa, the capital's amusement area, among them 4 U.S. Marines. In September the president's oldest daughter Ines, was kidnapped by the rebels, which was a 44-day ordeal for the president.

"Only in April could I ask Archbishop Arturo Rivera y Damas to mediate again," Duarte said. To the question whether the military, after the spectacular attack against the barracks in the provincial capital of San Miguel in late June -- some 50 soldiers were killed -- had no objection to a third dialogue, Duarte said: "Not at all. The Armed Forces back this democracy. They want to strengthen and consolidate it. They know that they will profit from the democratic process. My relations with the Armed Forces are better than ever. We maintain constant communications. Every morning at 0800 I meet the defense minister (General Carlos Eugenio Vides Casanova) and other important officers."

WELT: Does the San Miguel incident show that the FMLN troops have become stronger again?

Duarte: Nothing has changed about the military situation. We have had the initiative for 2 years. There is no possibility that the Marxists can win. In 1980 there were still 15,000 guerrillas. Today there are only 5,000-6,000. In the last 2 years, 4,700 partisans have come to us, many of them with their rifles. We pay 1,000 colones ($200) for every weapon. It pays off.

WELT: Can the Armed Forces get the situation fully under control in the near future?

Duarte: It will not be easy. The FMLN has returned to terrorism. You know how hard it is to get terrorism under control. The FRG has some experience in that field. I would just remind you of the bomb attack in West Berlin.

The Christian Democratic president of El Salvador believes that the Central American conflict is concentrating again on Nicaragua, the starting point of the regional crisis.

WELT: How did the summit meeting work in late May in Esquipulas, the provincial capital in Guatemala, when, after a discussion of 10 hours behind closed doors, only a meager communique was published?

Duarte: For me the meeting was highly interesting, because we learned more about Ortega's way of thinking. It was instructive and depressing at the same time.

WELT: One against four?

Duarte: No, Vinicio Cerezo (the president of Guatemala) maintained restraint as the host. However, he thought more or less like Azcona Hoyo, Arias, and myself.

Jose Azcona Hoyo and Oscar Arias are the presidents of Honduras and Costa Rica. Duarte asks his secretary to hand him notes of the Esquipulas talk. She hands him a yellow folder.

Duarte: Ortega told us the following at that time: Nicaragua sympathizes with the guerrilla movements of Central America. However, it does not support them otherwise. Only once, during the Carter era, did the Salvadoran rebels receive weapons in small quantities from Nicaragua. The Sandinist revolution does not want to set up a "democracy as in Costa Rica." It aism for "another power structure," "another justice system," and "another freedom." Ortega went on to say: "We will defend our democracy with all means, and we will not accept another democracy. The people of Nicaragua are an armed people." He added: "We have come to power with arms. We can only be ousted with arms."

WELT: Under such circumstances, how do you assess the solution of the Nicaraguan conflict?

Duarte: I believe that the Sandinists underrate the people. The people will decide. The Sandinists have not won the war against Somoza. It was the people. The people rebelled in the late seventies against the Somoza dictatorship.

This Esquipulas summit demonstrated the Contadora problem. The Contadora states said that introducing a democratic situation is one of their main demands. Now we are dealing with two kinds of democracies. We must decide how to define a democracy.

WELT: Will you ever agree with Ortega on that point?

Duarte: I am afraid not.

For the remaining 2 years in office Duarte wants to "ease economic problems, safeguard peace, and stabilize democracy. There is no justice without democracy. There is no peace without democracy. There is no progress without democracy."

CTS BEGINS STRIKE; MOP MEMBERS ARRESTED

PA111531 San Salvador EL MUNDO in Spanish 8 Jul 86 p 1

[Text] The Central Organization of Salvadoran Workers (CTS) today entered a strike of indefinite duration to demand satisfaction of a list of demands presented to the government 7 months ago, it was reported during a news conference today. Meanwhile, it was learned that when the strike began, at approximately 0700, troops of the Zacatecoluca detachment arrested MOP [Public Works Ministry] union members Miguel Angel Martinez, Juan de Dios Solis, and Sarbelio Solis.

So far, the workers of the Health, Public Works, and Agriculture Ministries, and the ISTU [Salvadoran Institute of Tourism] have declared strikes. So have the municipal workers, who are part of the CTS. The municipal workers presented a 26-point lists of demands, including travel expenses, wage increases, consumer protection, and others, last November. CTS leader Luis Leon has stated: "It is not our intention to destabilize the government. We are fighting for our rights. The government, including President Duarte, promised to heed our demands. That is why we will not lift the strike, notwithstanding the fact that security forces are posted at all our workplaces and are arresting us." "They are attempting to intimidate us," he complained.

The labor leader said that a meeting between the union and Culture and Communications Minister Julio Adolfo Rey Prendes was supposed to take place yesterday. However, Mr Prendes "irresponsibly failed to show up at the appointed time, and that is why we declared ourselves on strike." Meanwhile, the National Union of Salvadoran Workers (UNTS) has endorsed the CTS position.

CASTILLO CLARAMOUNT NOTES OBJECTIONS TO CONTADORA

PA100404 Panama City ACAN in Spanish 0058 GMT 10 Jul 86

[Excerpts] San Salvador, 9 Jul (ACAN-EFE) -- It was officially announced today that the Salvadoran Government will not sign the Contadora act so long as the document does not determine the region's military security and the control mechanisms.

During a press conference today, Foreign Minister and Vice President Rodolfo Castillo Claramount announced the government's official response to the peace proposal presented by Contadora on 6 June in Panama, the fourth during the 3 and 1/2 years of peace negotiations. Castillo Claramount said that the Contadora efforts constitute "the best alternative for the establishment and consolidation of peace in Central America outside of the East-West confrontation." [passage omitted] The Salvadoran foreign minister expressed "concern over Nicaragua's hardening, particularly with the expulsion of Bishop Pablo Antonio Vega" on Friday. The minister added: "This stance makes peace negotiations more difficult." He also said: "This is why it is necessary to sit down to a dialogue with Nicaragua and to determine that government's sincerity and willingness for peace in Central America."

After the document was presented, Castillo Claramount formally delivered the Salvadoran Government's official stance to the Central American and Contadora ambassadors. After delivering its latest version of the peace act, the Contadora Group said that the Central American nations should express their views about it. In his message to Contadora, the minister feels that "it would not make historic sense to sign a peace accord that does not embody fundamental aspects such as security and the certainty that these accords will be adhered to."

The document urges the nations to "stop the arms race in all its forms and initiate negotiations for the reduction and control of the current arms inventories and number of men under arms." The text of the document also says: "In addition, El Salvador regards as indispensable an effective system for the verification and control of all commitments, particularly those of a political nature, conceived as the foundation for a lasting, genuine peace."

GUATEMALA

QUINONEZ CONFIRMS SUPPORT FOR CONTADORA

PA121739 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 11 Jul 86

[Passages within quotation marks recorded] [Text] Foreign Minister Mario Quinonez Amezquita said that Guatemala will continue giving its unqualified support to the Contadora Group. He said this the day after El Salvador officially announced that it is not going to sign the Contadora peace plan.

[Quinonez] "We will continue supporting the Contadora Group because we still believe that peace in Central America can only be achieved through Contadora. Contadora definitely needs more time to obtain a consensus on some issues and to finish discussing some aspects on which views are still different."

Foreign Minister Quinonez said there are three basic elements needed to obtain peace:

"By now we should accept the fact that Central America, and this goes especially for our country, can only move forward with three basic elements I consider very important: peace, a lot of democracy, and a lot of development. With these three elements we can move forward. It is our duty, not only moral, but material as well, to seek peace for Central America, and to maintain our neutrality."

Foreign Minister Quinonez Amezquita also referred to the current problems in the negotiations to achieve detente in Central America.

"I must admit there are some difficulties in the negotiations to achieve detente, but this does not mean that we must lose all hope. If we do not have confidence in what we are doing in Guatemala, we are not going to overcome the moral and economic crisis affecting our country."

Foreign Minister Quinonez Amezquita said that the aid approved for the counterrevolutionaries by the U.S. Congress and other factors have contributed to the present situation in Central America.

CA PARLIAMENT ORGANIZING MEETINGS DELAYED

PA120448 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 11 Jul 86

[Text] The meetings of the commission organizing the Central American parliament have been temporarily suspended because Costa Rica still has not appointed its representatives to the commission, Foreign Minister Mario Quinonez reported today.

[Begin recording] This is only a temporary postponement of the organizing commission meetings. Apparently the Costa Rican deputies have not had the opportunity to appoint the three deputies who will represent them at the organizing commission of the Central American parliament. We are going to have to wait for a few days. There is no reason to think that we are not going go ahead with the Central American parliament. When Costa Rica appoints its representatives we will continue with the meetings. [end recording]

GEN GRAMAJO DISCUSSES INSURGENCY IN EL PETEN

PA131450 Panama City ACAN in Spanish 1858 GMT 12 Jul 86

[Text] Guatemala City, 12 Jul (ACAN-EFE) -- The Guatemalan Army is having trouble in its struggle against insurgency in the northern Guatemalan department of El Peten, a military source has admitted to ACAN-EFE. General Hector Gramajo, chief of the Army General Staff, said: The actions of ideological insurgency in that part of the country are continuous, and although they have been kept under control, it has not been possible to completely neutralize them." Gramajo said: "The remoteness of El Peten Department in the counterinsurgency struggle" is to blame for the problem. He added that in that area, guerrilla actions "are mistaken for drug trafficking and archaeological pillaging."

The military leader said that the Army is not sure whether "crime is more predominant than subversion" in that department, Guatemala's largest. "It is a very complex problem that makes the work of the Army difficult," Gramajo stressed.

A document issued recently by the rebels revealed that the "Rebel Armed Forces" (FAR), with its "Lucio Ramirez," "Rene Ortantes," and "Feliciano Argueta" "war fronts" is active in El Peten, which shares its borders with Belize, to the east, and Mexico, to the northwest. The FAR coordinates its actions against the Army within the Poor People's Guerrilla Army, which has organized its "Marco Antonio Yon Sosa,: "Ho Chi Minh" and "13 November" war fronts in the northern departments of Huehuetenango, El Quiche, and Alta Verapaz.

Granajo said: "Although the number of clashes have decreased over the past several months, the problem of insurgents trying to take power through arms persists."

HONDURAS

AZCONA, HABIB DISCUSS C.A. SITUATION

PA121617 Panama City ACAN in Spanish 0130 GMT 11 Jul 86

[Text] Tegucigalpa, 11 Jul (ACAN-EFE) -- Philip Habib, special U.S. envoy to Central America, and President Jose Azcona met here today to discuss the future of peace in the area and Nicaragua's internal political situation. Habib and Azcona talked about the future of the Contadora Group and the possibility that the other area countries will seek a resolution of Nicaragua's internal political situation. As at other times, the special U.S. envoy arrived at and left the presidential palace in Tegucigalpa without speaking to the press.

It was the Honduran president who referred briefly to the dialogue, which lsted 1 hour and 10 minutes. The president said that it is important for the Central American countries to renew their interest in solving the area's political problems. Azcona denied that he and Habib discussed the U.S. aid for the Nicaraguan counterrevolutionaries.

Regarding the Contadora Group, he said: "No one wants this group to disappear. We appreciate its efforts and those of the Support Group." He hinted that the mediating countries can do no more. He reiterated: "It is important that the Central American countries resume their efforts to resolve the regional conflict."

Azcona said that his government's position regarding the Sandinist regime is "clear. We think a political change in Nicaragua is necessary to guarantee peace in Central America." He also said that the United States has not requested permission for Green Berets to train contras on Honduran territory. "The contras' will have to fight in Nicaragua because Honduras is no land to fight in. Honduras is not at war with any country."

Foreign Minister Carlos Lopez Contreras, Armed Forces Chief General Humberto Regalado Hernandez, and acting U.S. Ambassador Richard Melton also participated in the meeting.

A U.S. Embassy spokesman said he was not sure if Habib would stay in Tegucigalpa tonight or if he would travel to Guatemala.

U.S. Embassy spokesman Arthur Skop said that Habib's visits to Honduras always take place without public statements, a policy established by the U.S. diplomat himself.

AZCONA RELATES CONTRA AID TO DOMESTIC SCENE

PA130421 Paris AFP in Spanish 0012 GMT 13 Jul 86

[Text] Tegucigalpa, 12 Jul (AFP) -- President Jose Azcona Hoyo said today that the U.S. delivery of $100 million to the Nicaraguan contras will make the "war drums" beat louder in Central America. During a ceremony held in San Pedro Sula, 250 km north of the capital, Azcona said that his government will not become involved in the war with Nicaragua, but admitted that the intensification of U.S. aid to the contras could generate some subversive outbreaks in Honduras.

Azcona admitted that the contras are operating in Honduran territory because it is very difficult to watch an 800-km long border. However, he said that "that is not the problem of the Honduran Government, but of the Nicaraguan Governmnt."

Moreover, Azcona advised private Honduran companies to be fair with their workers so that the civil wars stemming from problems of social justice which El Salvador and Nicaragua are experiencing do not take place here.

"If Nicaraguan private enterprise had approved the necessary political and democratic changes, a dictatorship would not now exist which will cost the lives of thousands and thousands of persons," the president remarked.

UN ENVOY RESIGNS OVER FOREIGN POLICY HANDLING

PA111532 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 1 Jul 86

[Text] It has been learned that Roberto Herrera Caceres, Honduran ambassador to the United Nations, has resigned. The ambassador resigned because he disagrees with the way that Foreign Minister Carlos Lopez handles the Honduran foreign policy.

MONTOYA ON U.S. SENATORS' VISIT, BORDER PROBLEMS

PA111651 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 11 Jul 86

[Interview with Carlos Orbin Montoya, president of the National Congress, by Jose Danilo Izaguirre; date and place not given -- recorded]

[Excerpts] [Izaguirre] The president of the National Congress of the republic, Carlos Orbin Montoya, feels that war with Nicaragua is imminent, that the $100 million in aid has served to accelerate that war, and that we are not prepared in any manner -- materially or culturally speaking -- to cope with that war. He says the war drums are being heard along the border. He first refers to the economic situation between the United States and Honduras. [passage omitted]

We understand that a commision of [U.S.] senators is here to investigate when, where, and how the $100 million will be distributed. Have you met with them?

[Montoya] They are part of the delegation that arrived yesterday. I did not meet with them. They met with the vice president [name indistinct]. They are a group from Iowa. Naturally, they are interested in learning (?about the tropics) and in learning about Honduras. We told them: your government's relations with the Nicaraguan counterrevolutionaries is your problem. It is not our problem. [passage omitted]

[Izaguirre] How does Congress feel about this situation, as you are announcing that war with Nicaragua is imminent?

[Montoya] We must remain neutral, and all state organizations should not get involved in the conflict. That problem is the Nicaraguan's problem.

[Izaguirre] Does that mean we should not allow Honduran territory to be used?

[Montoya] Obviously, yes.

[Izaguirre] Honduran territory should not be used for such an action, even though it is said that that the contras are here. When are they going to leave? That is a serious problem, isn't it?

[Montoya] We are all well-aware of that problem. Let us hope that the $100 million will serve to take those people out of the Honduran border area as soon as possible.

[Izaguirre] But what can this government do in order for those people to leave the country?

[Montoya] For humanitarian reasons, there is some tolerance.

[Izaguirre] Is the United States pressuring to accelerate this war?

[Montoya] No, not at all. But they are a fact, and they are there, at the border. And it is obvious that if they are pushed out of Honduras, they will head to a sure death in Nicaragua. The Nicaraguan regime has strengthen itself as a result of the U.S. Government's economic support for the contras. Rather than helping matters, things are getting more tense. The war drums are being heard. [passage omitted]

NICARAGUA

ORTEGA DISCUSSES DEFENSE IN CHINANDEGA

PA131618 Managua Radio Sandino in Spanish 1310 GMT 13 Jul 86

[Text] President Ortega has reiterated the Nicaraguan people's right to fight for their revolution, sovereignty and self-determination. He said: To resolve our health, transportation, education, and production problems, the war against our country must stop, and therefore the Nicaraguan's main task is to struggle for peace.

President Daniel Ortega made this statement yesterday when addressing thousands of Chinandega residents during a "Face the People" meeting.

Ortega said that achieving definitive peace does not depend on Nicaragua, but on the U.S. Government, which persists in its terrorist policy against the revolution, and irresponsibly drags along the governments in the area.

[Begin Ortega recording, in progress] ...of what the people need, of what the people want. people want houses, health, roads, electricity, water, food, clothing. People want peace. However, achieving definitive peace does not depend on us. It is our responsibility to struggle for peace. That is Nicaragua's main task. To struggle for peace. We fight for peace by defending the revolution. That is the [word indistinct]. Our main task right now in out struggle for peace is defending the revolution, and we defend it with weapons. The Nicaraguan people have a right to defend their revolution, their sovereignty, their right to self-determination with weapons. Why do we mention weapons? We mention weapons because those who attack us, those who make war on us do so with weapons. The attackers use weapons, the terrorists and murderers use weapons, so we must reply to those who attack us with weapons in the same way. However, we also defend our revolution, we defend our revolution by respecting international laws. [end recording]

President Ortega warned the Costa Rican, Honduran, and Salvadoran presidents of the consequences of their policy of complicity in U.S. war against Nicaragua. He added that those presidents are playing with fire, because all the Central American peoples -- not just Nicaragua -- will suffer the consequences of a war.

[Begin recording] Nicaragua is a country that has truly and seriously sought a peaceful solution based on the proposals made by the Contadora Group countries and the Lima Group. Nicaragua has said: This is a good proposal. Your proposal is good, and we are willing to find a solution. What has been the reply of some Central American governments who are playing with fire? They have not realized that this is a very explosive situation, and that when the cauldron explodes it will spill over all of Central America, that it will not only affect Nicaragua, that when the caludron explodes the effects will be harmful for all of Central America. Therefore, some Central American leaders are playing with fire, by becoming instruments of the U.S. Government's policy, by collaborating with the U.S. Government's warmongering plans.

An envoy of President Reagan has been going around these days visiting some Central American presidents with dollars in one hand -- because they are being offered $75 million -- and threats on the other hand. Why? So that they will not support the Contadora Group's peaceful efforts. Some Central American presidents are acting this way. They are sabotaging scheduled meetings of Central American foreign ministers. [Words indistinct] a meeting of Central American foreign ministers and vice presidents in Guatemala. But what happens? The U.S. Government offers money, and the U.S. Government also exerts pressure, and some Central American presidents who call themselves democrats lack dignity. They lack dignity and pride. So, what they do it sabotage the process of dialogue of the Central American [word indistinct]. They also oppose the Contadora Group peace process. [end recording]

President Daniel Ortega also stressed that Nicaragua will continue to be firm in its international battle in defense of its revolution.

[Begin recording] After the Court's [International Court of Justice] ruling, well, we have a hard battle ahead, and we will continue fighting. We will also continue defending peace through the process of negotiations, by urging the Central American presidents, particularly the governments of Costa Rica, Honduras, and El Salvador, to act with a certain degree of responsiblity. They should not believe that the United States, with all its power, will be able to attack Nicaragua and keeping the conflict and confrontation within the Nicaraguan borders. They have a great responsibility. In all this escalation of U.S. military actions they have become accomplices of the increase of U.S. actions. They have become accomplices. Under the present circumstances, we have had to take actions. They have become accomplices. Under the present circumstances, we have had to take domestic measures. [1-minute break in reception] a political-ideological confrontation that [words indistinct] from the very moment that newspaper becomes an instrument of the U.S. Government's terrorist and military attacks. What action did we take? Well, the publication of LA PRENSA has been suspended for an indefinite period of time.

Because a hierarch of the Catholic Church also becomes an instrument of that same terrorist policy, we have had to take some measures, as in the case of Bishop Vega. However, the fact that we have had to take action against Bishop Vega, or that we have had to act against LA PRENSA does not mean that we are against freedom of the press, or against religion, or against the newspapers or against the bishops.

There are 10 or 11 bishops in Nicaragua, I believe. We have sanctioned a person who had the status of bishop. Only one has been sanctioned, and there is no persecution here. [Word indistinct] their religious activities, their pastoral duties. No religious persecution has been unleashed in this country. We have simply adopted a measure against someone who committed a crime against the Nicaraguan people.

Under these circumstances, with this level of organization, when we are about 7 days from celebrating the seventh anniversary of the Sandinist revolution, we can be sure that despite the millions, and despite the shipments of weapons, and despite the sending of military advisers, and despite the new funds, weapons, and mercenaries that the United States may send against Nicargua, we are going to celebrate the seventh anniversary of the Sandinist people's revolution. We are going to celebrate the Seventh anniversary of the Sandinist people's revolution, and we will also liberate the 50th and the 100th anniversary, and the Sandinist People's Revolution will last forever and ever! Free fatherland [crowd shouts: "or death!"]. [end recording]

DIPLOMATS SAY 6 MI-17 HELICOPTERS RECEIVED

PA111308 Buenos Aires REUTER in Spanish 0601 GMT 11 Jul 86

[Text] Managua, 11 Jul (REUTER) -- Diplomatic sources disclosed last night that Nicaragua has received six new Soviet helicopters and is further increasing its fleet to face the insurgents financed and equipped by the United States.

They noted that the shipment of Mi-17 helicopters arrived recently and that there are more on the way. A western diplomat said that "the inventory of helicopters is being substantially increased." The Nicaraguan Defense Ministry refused to comment on this report.

The Mi-17 is a transport helicopter with a 25-passenger capacity, and it should improve troop mobility, the sources reported. It is a modernized version of the Mi-8. Nicargua already has at least one dozen of the Mi-8's.

The Sandinist Air Force also has Mi-24 helicopter gunships, which are bigger. However, the exact number it has of these is unknown because the Defense Ministry does not disclose that type of information.

According to press reports that appeared in the United States last month, Pentagon officials said that Nicaragua had already received 10 Mi-8 helicopters in April, thus increasing its inventory to 25.

However, diplomats in Managua said that they believed that the aircraft delivered in April were really the Mi-17 model and noted that according to their information the Sandinist received 8 and not 10 as reported.

The last shipment arrived after the U.S. House of Representatives approved $100 million in aid for the insurgents, who have asked that part of these funds be invested in missiles. The rebels used one missile to down an Mi-8 helicopter in December.

VOA REPORT ON ANGOLAN TROOPS TERMED 'LIES'

PA120254 Managua BARRICADA in Spanish 9 Jul 86 p 3

[Text] In its 5 July transmissions the so-called Voice of America -- which in reality is the official Yankee government station -- broadcast the following "news" to the world:

"Approximately 2,000 troops of the Angolan communist army have arrived in Nicaragua to fight for the Sandinist military dictatorship on the Atlantic coast. Reports indicate that the Angolan troops form part of the military reinforcements that Sandinism has in the region where the anti-Sandinist commandos have intensified the fighting. The arrival of those Angolan troops again confirms the presence of foreign and mercenary forces in Nicaraguan territory where there are also Cuban, Vietnamese, and other foreign troops."

The mere construction of this "news" -- as we will see later -- shows that it is a prefabricated lie. However, its content shows something worse: This type of "report" seeks to create the image of Nicaragua as a dangerous nation and an expansionist threat in Central America. This is exactly what at other times and using similar arguments imperialism has argued with the sole and criminal objective of justifying the armed intervention againist our country.

This maneuver has a macabre precedent: the air attacks against Libya. If Nicaragua is a "threat" to other countries, as the perverse fabrication of the U.S. propaganda claims, why shouldn't a Libya-style "raid" [preceding word in English] be justified? Has imperialism ever had any scruples in finding pretexts to commit crimes against peoples?

The official voice of the United States has set the example for its worldwide propaganda system. Another web of lies has begun to be spun about Nicaragua. Let us now see how those clumsy lies are spun:

1. Why does a country with its people on a war footing need "approximately 2,000 trops" of an army thousands of kilometers away? Let us also remember that Angola is also a country confronting mercenary military activity sponsored by the United States. It is improbable that a country in such conditions would want to divert its own defense forces.

2. Placing those "soldiers" on the Atlantic coast is quite easy because of a similarity in the ethnic background of the Angolans and the Nicarguans who inhabit the Atlantic Coast. A Nicaraguan, with the same racial characteristics as an African, could very easily "lose himself" in the crowd. [sentence as published] Therefore, it would be very easy to believe that the presence of a foreigner would "go unnoticed." What is worse, they could also justify killing our countrymen on the Atlantic coast by claiming that they had killed "Angolans."

3. The so-called "anti-Sandinist commando," in other words, the mercenaries, "have not increased their attacks," but rather have increased their criminal actions against the unarmed people like those children and women who were murdered in San Jose de Bocay.

4. Regarding the "presence" of Cuban, Vietnamese, and "other nationality" troops, this is an old propaganda trick. However, the fact that this is an old trick does not make it less evil. This trick is aimed at awakening U.S. chauvinism and a desire for revenge because the peoples of Cuba and Vietnam have been the only two to defeat the military aggressions of imperialism in the past 25 years.

5. By saying that there is a "presence of foreign and mercenary forces" in Nicaragua, they seek to establish an association of ideas. They want to justify, to public opinion -- if the public opinion can believe such a lie -- the presence of their own mercenary forces.

Whichever way the VOA information is examined, an evil objective will be discovered. The Yankee propagandists promote this type of lie, and other similar ones, to attack the necessary measures adopted to counteract the work carried out by their domestic agents. They are trying to paint a picture portraying Nicaragua as repressive, destabilizing, and a threat to the Central American "democracies."

Despite the reason for inventing these lies, and the immediate results they may expect, the Nicaraguan people have their best antidote in the armed, political, and legal defense. The domestic plotters know this.

GOVERNMENT DECREES 3-DAY MOURNING FOR LE DUAN

PA112258 Managua International Service in Spanish 2221 GMT 11 Jul 86

[Communique No 24 issued by the Presidency of the Republic Information and Press Directorate on 11 July in Managua]

[Text] On the occasion of the death of Companero Le Duan, secretary general of the Vietnamese Communist Party, the Government of the Republic of Nicaragua has decreed a 3-day national mourning period, beginning today, 11 July 1986. During this period the flag remain at half mast at civilian and military institutions.

The passing away of Companero Le Duan represents a loss to the peoples of the world who are struggling for progress, independence, and revolutionary changes.

As a leader of the Vietnamese people, Companero Le Duan was always on the side of the Nicaraguan people, our government, and the FSLN, and against imperialist aggression.

Managua, 11 July 1986

The Presidency of the Republic Information and Press Directorate

ORTEGA GREETS TIRADO ON RETURN FROM POLAND

PA111556 Managua Domestic Service in Spanish 1200 GMT 11 Jul 86

[Text] Commander of the Revolution Daniel Ortega Saavedra, president of Nicaragua, welcomed Commander Victor Tirado Lopez at the Augusto Cesar Sandino International Airport yesterday when he arrived leading the delegation that attended the 10th Congress of the Polish United Workers Party. Commander Tirado Lopez is bringing greetings and solidarity from the Polish people and Government on the occasion of the seventh anniversary of the triumph of the Nicaraguan people and their Sandinist people's revolution.

COOPERATION AGREEMENT SIGNED WITH GDR

For East Berlin ADN accounts of the visit to the German Democratic Republic by a Nicaraguan delegation led by Leticia Herrera, including her talks with GDR's People's Chamber President Horst Sindermann and the cooperation agreement signed, see the German Democratic Republic section of the 14 July Eastern Europe DAILY REPORT.

ORTEGA COMMENTS ON SPECULATION IN PRODUCTS

PA122115 Managua Radio Sandino in Spanish 1940 GMT 12 Jul 86

[Text] The president of the Republic, Daniel Ortega, has reiterated the urgent need to produce to overcome the current crisis in the country and said that the peasant population will continue having priority in production matters. President Ortega today held a "Face the People" with the residents of Chinandega. We now bring you an excerpt of the president's statements:

[Begin recording] It is so easy, let us say it like that, to establish a price on a product when that product is (?scarce). We have made efforts and will continue making efforts so that [words indistinct] that will [words indistinct] all workers to a certain price, a certain price, a controlled price. However, if you....[changes thought] For example, a family group -- for example, where there are two or three members of a family working, and they buy a certain product through a (?controlled) channel at a acceptable price, then, they (?keep) that product for 2 or 3 days, they keep one for the house and take the rest to the speculation market. In other words, we are no longer talking about the speculative merchant, but rather about the workers who become speculators too. They become speculators. They say: We have this product there [passage indistinct]. Let us sell it on the market at a high price. So, there are products in the market that should not be there. Often, people friendly to Nicaragua wonder: If we sell this product to workers, why does it end up on the market and at that price? These products were distributed among the workers, and the workers speculated with those products. [end recording]

BRIEFS

NORWEGIAN DONATION RECEIVED -- The Government and people of Norway have donated 15,000 tons of fertilizer and 308 tons of industrial and office paper to Nicaragua. The donation also included several boxes of clothers and other agricultural equipment that will be used in the next coffee harvest in Nicaragua. [Summary] [Managua International Service in Spanish 2200 GMT 8 Jul 86 PA]

FOREIGN MINISTRY ISSUES NOTE ON TALKS WITH U.S.

FL111221 Havana Tele-Rebelde Network in Spanish 1100 GMT 11 Jul 86

[Foreign Ministry Note on U.S.-Cuba Talks, date not given]

[Text] On 8 and 9 July, talks were held in Mexico between representatives of the Governments of Cuba and the United States. These talks were aimed at examining the problems of radio broadcasts between the United States and Cuba which made the Cuban Government interrupt the migration agreement reached on 14 December 1984 between the two governments.

These talks were proposed by the U.S. Government on 23 June by a note delivered by the chief of the State Department's Cuba desk, Mr Kenneth Skoug, to Comrade Ramon Sanchez Parodi, chief of the Cuban Interest Section at the CSSR Embassy in Washington.

In the note, the U.S. State Department made reference to President Fidel Castro's remarks made to a member of Senator Edward Kennedy's office. The president of the Council of State, referring to Senator Kennedy's ideas on the convenience of resuming migration flow between Cuba and the United States, mentioned the need to solve those problems first. In light of this, the State Department proposed to begin talks which have taken place and which were accepted by Cuba on 3 July.

The talks were held in an atmosphere of mutual respect; the first one in the Cuban Embassy in Mexico City, and the second one in the U.S. Embassy in the Mexican capital. No agreements were reached on the examined problems.

CASTRO SENDS CONDOLENCES ON LE DUAN'S DEATH

FL111552 Havana Radio Reloj Network in Spanish 1402 GMT 11 Jul 86

[Text] With profound grief we have received the painful news of the death of Comrade Le Duan, general secretary of the Communist Party of Vietnam [CPV], beloved and respected leader of the Vietnamese people and dear friend of the Cuban people and Communist party.

These words began Commander in Chief Fidel Castro's message of condolence to the CPV Central Committee on the death of Vietnam's highest political leader.

Later, Fidel's condolence message indicates that Le Duan dedicated himself completely to the revolutionary cause of his people from early in his life to the moment of his death.

In another prt of his message of condolence to the CPV Centrl Committee, Castro recalls that in 1930 when the unforgettable President Ho Chi Minh founded the Communist Party of Indochina, he could count among his members the valuable cooperation of the deceased Comrade Le Duan. Since then, Le Duan has been one of the most active CPV leaders in the struggle for the defeat of French Colonial oppression, his heroic combat against Yankee imperialism, and the historic battle for the national reunification and reconstruction of Vietnam, Fidel's message adds.

After stressing the difficult years Le Duan spent in prison, Castro's message says the position held by Le Duan for more than 25 years is an eloquent expression of the extraordinary revolutionary merits Le Duan accumulated with exemplary modesty during his invaluable lifetime.

The CPV loses one of its most faithful and experienced militants with Le Duan's death.

The international communist movement, reknowned and combative, and our people and party have admired and loved the combative comrade [companero de lucha], says Fidel's message.

Castro's message reiterates the conviction that this bitter moment for the people and all its comrades in the struggle will be transformed into creative energy, guarantee the brilliant future of the socialist nation, and will make any aggressor who dares to tread on the land of the fatherland bite the dust.

The revolutionary cause of the Vietnamese people and of its glorious Communist Party, to which Le Duan dedicated his entire life, is invincible, says Fidel's message of condolence.

CASTRO GREETS HENG SAMRIN ON KPRP ANNIVERSARY

BK120636 Phnom Penh Domestic Service in Cambodian 0430 GMT 12 Jul 86

[Text] Recently, Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party [KPRP] Central Committee, received a message from Comrade Fidel Castro, first secretary of the Cuban Communist Party Central Committee, on the 35th founding anniversary of the KPRP. The message says in substance:

The KPRP was born from the militant solidarity of the Indochinese people against colonialism and imperialism. It has braved difficulties in these struggles as well as the usurpation of the Pol Pot clique and has won historic victories by transforming the KPRP into a solid bastion for the cause of peace, social progress, and socialism. Standing in front of Cambodian workers, the KPRP is currently leading with ingenuity the rebirth of the country, which has made the Cambodian fatherland blossom, and has daily strengthened solidarity with the fraternal parties and people of Vietnam and Laos on the path of rebuilding the country and successfully struggling aganst every brute attempt on its beloved territory. In this struggle, the KPRK has set a correct policy aimed toward achieving peace, stability, and cooperation with every country in the region.

In its negotiations, the KPRP can always rely on the unconditional support of the Cuban Communist Party. On behalf of the Cuban party and people, we wish the KPRP new successes in its just and noble activities for the Cambodian people and peace in Southeast Asia.

VIERA MEETS WITH CHINESE VICE FOREIGN MINISTER

FL121256 Havana Radio Progreso Network in Spanish 1100 GMT 12 Jul 86

[Text] Acting Foreign Minister Jose Raul Viera has met in Havana with Chinese Vice Foreign Minister Zhu Qizhen who is presiding over a Chinese Foreign Ministry delegation visiting several Caribbean countries. During the meeting, they discussed several of the two countries' policies and the satisfactory course of bilateral relations.

BRAZILIAN MISSION TO OPEN DIPLOMATIC HEADQUARTERS

FL121334 Havana Radio Progreso Network in Spanish 1100 GMT 12 Jul 86

[Text] The first official Brazilian mission to Cuba will depart for Havana on Monday. The mission includes three diplomats, one architect, and two administrative employees from the Brazilian Foreign Ministry. The purpose of this first Brazilian advance toward renewal of diplomatic relations, which was approved 23 June, is to open diplomatic headquarters in Havana.

MEXICAN ENVOY ASSESSES BILATERAL RELATIONS

PA111934 Mexico City EXCELSIOR in Spanish 4 Jul 86 pp 5, 31 A

[By special reporter Luis Suarez]

[Excerpts] Havana, 3 Jul -- What we like and what we dislike, as well as our agreements and differences within the framework of a mature attitude is what unites Mexico and Cuba apart from our main point of concurrence, which is the fact that these two countries experienced the two most important social revolutions of the hemisphere that responded to specific conditions in their societies. This is, in summary, the opinion of Enrique Olivares Santana, our ambassador to Cuba, in regard to the current Mexican-Cuban relations and trade -- $150 million -- exchange.

Approached about the essence of these relations in these tense times in the world, and taking into consideration the threats hovering over Central America and the Caribbean, the experienced Mexican politician, who is now holding his first diplomatic post at a critical point of the Latin American situation, responded:

[Olivares Santana] The relations between Mexico and Cuba go far beyond the formalities between the diplomatic missions of two countries. Our relatons have a profound historical context. They have developed within the framework of a cultural and geographical rapprochement. They are dynamic, responsible, and fraternal. [passage omitted]

[Suarez] Haven't these changes in the course of international events -- which is not always straight and clear -- and the conflicts in the region in which the two countries, Mexico and Cuba are located, affected this attitude of mutual respect and consideration?

[Olivares Santana] No. They have never been diminished or affected, mainly because our own historical projects have allowed us not only to practice the mutual respect and consideration you mentioned, but a true solidarity at times when the regional and international arenas we are part of are threatened. We are independent nations that love peace and freedom. We are nations worried about our people's well-being. Each reaches its own goals in its own way. All this explains why Cuba and Mexico frequently agree at regional and multilateral forums regarding the defense of the norms that make a civilized coexistence among nations possible. We also agree on vigorously condemning any form of conduct that harms or threatens these rules of coexistence.

[Suarez] Is this a permanent policy, despite changes and deterioration in the situation?

[Oliveras Santana] Mexico's foreign policy is not the result of temporary situations or passing emotions.

It is guided by a great historical tradition and a nationalistic feeling. It has always had an unquestionable loyalty for the principles of its doctrine: respect for the sovereignty of the nations and their legal equality, and respect for nonintervention, the right to self-determination, the peaceful solution of controversies, and an egalitarian cooperation for economic development among nations. Consequently, when freedom is mentioned at international forums, we defend it vehemently. When respect for the sovereignty of states is mentioned, we back it with all our energy, and when a country invades, threatens, or intervenes in the domestic affairs of another, we firmly condemn it, regardless of who is originating the aggression or the actions aimed at trampling on the sovereignty rights of another nation.

[Suarez] Has there been an agreement?

[Olivares Santana] This line of conduct has permitted the existence of agreements and disagreements between Mexico and Cuba. When we disagreed, we have done so with political maturity, international foresight, and historical awareness to concur on that which is essential and important.

[Suarez] Is the cultural aspect of Mexican-Cuban relations very important?

[Olivares Santana] It is very important, of course. We are branches of the same tree. We speak the same language. We have the same origin, which identifies us and unites us. Our geographic proximity, and our traditions and cultural identities have allowed us to maintain a permanent and clean tie in every aspect of our relationship: scientific and technical, commercial, financial, and, logically, political. Mexican-Cuban relations are important in every aspect. These bilateral relations are regulated by the General Cooperation Agreement signed by the two countries in January 1978 and revised every 2 years in the meetings of the Joint Intergovernmental Commission. Logically, a very substantial element fo the bilateral relations between Mexico and Cuba is the trade, which has been increasing and becoming remarkably more diversified in the past few years, not only as a result of our respective economic development, but as a result of the confidence that characterizes the relations between our two countries, as well. The financial limit of our bilateral trade amounts to $150 million and we are making efforts to find a healthy balance in our trade, which is currently unfavorable for Cuba. [passage omitted]

NUNEZ MEETS WITH ECUADORAN FOREIGN MINISTER

FL111554 Havana Tele-Rebelde Network in Spanish 1100 GMT 11 Jul 86

[Text] Ecuadoran Foreign Minister Edgar Teran Teran has received Culture Vice Minister for International Relations Antonio Nunez Jimenez, who is visiting that country to coordinate events commemorating the 500th anniversary of the encounter of the European and American cultures. The Cuban representative said recently he met with the chairman of the commission organizing the events and agreed to conduct the project called "From the Amazon to the Caribbean in a Canoe" which attempts to reenact the arrival of Amazon tribes to the Caribbean islands.

NATION BECOMES MEMBER OF REGIONAL ASSOCIATION

FL121656 Havana Radio Progreso Network in Spanish 1100 GMT 12 Jul 86

[Text] On Monday the Republic of Cuba will formally assume the role of observer member of the Latin American Integration Association in Montevideo, Uruguay. Cuban Ambassador to Uruguay Joaquin Mas Martinez will represent Cuba in that regional operation.

SCIENTIFIC, TECHNICAL PROTOCOL SIGNED WITH POLAND

FL111654 Havana Tele-Rebelde Network in Spanish 1100 GMT 11 Jul 86

[Text] Zbigniew Gertych, vice president of the Polish Council of Ministers, has presided over the ceremony of the signing of the protocol of the ninth session of the Cuban-Polish Scientific and Technical Subcommission held in Warsaw. The document includes the comprehensive development of joint research projects on coal production and the development of electronics and computers. The protocol, which will be in effect for a year, was signed by Polish Deputy Minister of the Office for Advancement and Application of Science (Ryszard Breyer) and Vice President of the Cuban Academy of Sciences, Professor Ramon Pomes.

SECRETARIAT MEMBER HEADS DELEGATION TO PRAGUE

FL112234 Havana Radio Reloj Network in Spanish 1825 GMT 11 Jul 86

[Text] Headed by Secretariat Member Jaime Crombet, a delegation of our party has arrived in Prague, Czechoslovakia.

RODRIGUEZ MEETS WITH ALGERIAN MINISTER

FL121204 Havana Radio Progreso Network in Spanish 1100 GMT 12 Jul 86

[Text] Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, has met with Boubaker Belkaid, professional training and labor minister of Algeria. Boubaker is presiding over his country's delegation to the fifth session of the joint Cuban-Algerian commission meeting in Havana. During the cordial and friendly meeting, the leaders exchanged opinions on the Cuban and Algerian economies and cooperation development.

VIERA RECEIVES LEBANESE PARTY DELEGATION

FL112248 Havana Radio Periodico del Aire in Spanish 2130 11 Jul 86

[Text] Jose Viera Linares, acting minister of foreign relations, has received the delegation of the Lebanese Progressive Party which, headed by its president, Walid Jumblatt, is visiting Cuba at the invitation of our party. At the friendly meeting, Comrade Jumblatt explained the complex situation of his country, which has part of its territory occupied by Zionist troops; he also explained the plans of imperialism and reactionary forces to liquidate the Lebanese patriotic and progressive forces and end the struggle of the Palestinian people.

BALAGUER OFFICIALLY PROCLAIMED PRESIDENT

PA131732 Madrid EFE in Spanish 1658 GMT 13 Jul 86

[By Rosendo Sepulveda]

[Excerpt] Santo Domingo, 13 Jul (EFE) -- Fifty-seven days after general elections took place in the Dominican Republic, the Central Electoral Board [JCE] proclaimed Joaquin Balaguer and Carlos Morales Troncoso president and vice-president of the republic, respectively.

The JCE members, headed by their President Caonabo Fernandez Naranjo, went to Balaguer's house very late last night and delivered to him and Morales Troncoso the certificate which proclaims them winners of the recent election.

After receiving his certificate, Balaguer said that the 16 May elections were "clean and neat," although he recognized that since that day many "faults" have been committed.

Balaguer said: "I receive this certificate with humility and pride, because it is simply the testimony that the party I represent -- the Social Christian Reformist Party -- is today a majority political organization, which is contributing significantly to the Dominican democratic process." [passage omitted]

FIFTH COMMUNIST PARTY LEADER RESIGNS

FL121430 Santo Domingo Radio Antillas Network in Spanish 1000 GMT 12 Jul 86

[Text] The crisis affecting the Dominican Communist Party [PCD] has increased with the resignation of another Central Committee member. This time the resignation was submitted by Dr (Rowin Pirie). He is the fifth leader to resign within the last few days.

A Santo Domingo University professor said the resignation is a serious loss during a critical time.

The other PCD leaders who have resigned are (Julia Ampella), Carlos Flores Cabral, and Cesar Perez. [Words indistinct], who resigned his leadership responsibilities in the PCD and engineer Jose Israel Cuello.

WORKERS' PARTY TO CREATE PEOPLES' FRONT

FL121534 Santo Domingo Radio Antillas Network in Spanish 1000 GMT 12 Jul 86

[Excerpt] The Dominican Workers' Party [PTD] has established a constitution for an extensive peoples' front to channel the peoples' struggle in creating a state of independence and freedom.

Jose Gonzalez Espinosa says that all the progressive organizations in the country should unite and participate in the creation of the front. The PTD leader said there will be a meeting on 20 July to create the instrument of struggle. [passage ommitted]

LIBYAN DOCUMENT ENDORSES REVOLUTION IN REGION

FL121746 Bridgetown CANA in English 1655 GMT 12 Jul 86

[Text] Bridgetown, Barbados, July 12, CANA -- Libya views the Caribbean as a region under the control of foreign oppressors and through a four-point strategy, including military support to radical groups, says it is determined to back the cause of revolution and liberation in the region, according to a document mailed to CANA by a Tripoli-based Libyan organisation.

The Caribbean for the Peoples of the Caribbean, an eight-page paper published by the International Organisation for the Elimination of All Forms of Racial Discrimination (Eaford), says Libyan policy in the Caribbean has the following objectives: To support Caribbean liberation movements; to bar the road to colonialist exploitation of the region; to struggle against racial discrimination and governments which practise it; and to oppose neocolonialism in all its forms.

Because the Libyan people had for so long known the oppression of foreign imperialists and colonialists, after their Great September Revolution, they determined to support the cause of revolution and the liberation of man everywhere, said the paper, written by one Dr Musa Kusa, director of the Tripoli-based World Centre for Resistence to Imperialism, Zionism, Racism, Reaction and Fascism.

Thus it is only natural for the Libyan peoples Jamahiriya to support all the peoples of the Caribbean Basin in their struggle for independence and freedom from foreign oppressors.

Target countries named are the French territories of Martinique, Guadeloupe, Cayenne (French Guiana), where there have been upsurges in separatist violence, and Trinidad and Tobago.

Specifically in relation to Trinidad and Tobago, the paper quotes Libyan leader Colonel Muammar al-Qadhdhafi as saying the racial system established there as well as those in Guadeloupe, Martinique, and Cayenne by the colonisers permitted racial discrimination and must be wiped out.

The Jamahiriya stands ready to assist in wiping out these stains Al-Qadhdhafi said.

The Jamahiriya will not neglect any action necessary to permit Caribbean liberation movements to realise their objectives and to unify their action, the Libyan leader was also quoted as saying.

What is involved is not the mere question of drawing up an exhaustive balance sheet of all the material, military, and moral support the Jamahiriya has provided various liberation movements. Rather, it is an incontrovertible brotherly duty, he added.

According to the paper, Libya has also actively sought to enlist the backing of like-minded revolutionary states, namely Syria and Iran, for radical groups in the region.

We feel with strength, hope and conviction that all revolutionaries, wherever, whoever they may be are brothers in the struggle of the Libyan revolution and the Libyan Arab people. We shall deploy our considerable force to provide the effective assistance of our revolution to our brothers and to assure their victory over colonialism, Al-Qadhadhafi was quoted as saying.

With regard to the development of Caribbean economies, the radical North African country advocates strictly native control of local economic wealth and says Caribbean people must be persuaded to move in this direction.

They must not tolerate control or even interference by outsiders of what is inherently theirs, the paper advocates.

It called for laws to enforce native ownership of land and resources, and urged Caribbean peoples not to tolerate representatives and governments who oppose the idea.

...Those who expropriate and dispose of the rightful possessions of the people for their own interests must answer to the wrath of people, said the paper.

The deprivation of the people of the Caribbean by neocolonial exploitation, aided and abetted by corrupt governments, represents one of the worst existing situations of the oppressed peoples of the world. This cannot continue; it must be remedied.

The paper attacked foreign domination of the banking and financial system in the Caribbean. Through this set-up, the colonialists were able to dictate the economic and even political policies of regional countries, it said.

Convinced that colonialism seeks through its banks to control the economic life of the developing countries, Libya has created in various areas joint banks, that is banks jointly run with local entities with two objectives: 1) to neutralise the monopolistic colonial bank; 2) to place the economic activities of the country on a sound basis, assuring its national interest and its economic independence, the paper said.

There was no confirmation if there were any such Libyan-established banks operating in the Caribbean.

The paper said the Caribbean was the target of a systematic campaign that seeks to suppress regional culture and replace it with false values of America and European civilisation to aid foreign domination of the region.

According to the paper, Libya has already initiated moves to counter this cultural colonialism in the region, mainly through the opening of Islamic cultural centres in several countries.

Through their schools, training facilities for profesionals and others, and their libraries devoted to authentic works, these centres have contributed to stemming the flood of Western colonialist culture and to replacing it with culture evolving from the authentic heritage of Islam, it said.

ARUBA

FORMER ECONOMIC MINISTER ARRESTED FOR FRAUD

EL111744 Hilversum International Service in English 1030 GMT 11 Jul 86

[Text] Aruba's former Minister of Economic Affairs Leonard Berlinsky has been put in a police cell in Oranjestad. He was arrested [word indistinct] by the public prosecutor who said preliminary investigations revealed sufficient grounds for locking up the former minister. Leonard Berlinsky has been charged with fraud and accepting favors or promises to that end from a government officer.

INTER-AMERICAN AFFAIRS

SELA, ECLA, ANALYZE INTRAREGIONAL TRADE

PY132328 Paris AFP in Spanish 1313 GMT 11 Jul 86

[Text] Montevideo, 11 Jul (AFP) -- Representatives of several regional integration agencies have submitted a document to Uruguayan President Julio Sanguinette that analyzes the sale of raw materials on the world market and puts forth several ideas for solving the problems that confront Latin America.

The document was submitted by SELA Secretary Sebastian Allegret; Director of the ECLA Economic Cooperation Department Guillermo Maldonado; UNCTAD Assistant Secretary General Alister McIntyre; and Gustavo Saavedra of the UNCTAD-ECLA project.

President Sanguinetti and Peruvian President Alan Garcia requested the study during the official visit Garcia paid to Uruguay in April. According to integration agency representatives, the document focuses on three major points and seeks to attain the following objective: to learn what Latin America can do by itself to cope with its problems.

First, the document stresses that the countries of the region usually blame existing problems on others, claiming that there are many factors outside their control.

Second, the study recommends the creation of a permanent consultative organ within SELA. This organ will serve to implement the initiatives of the nations of the region, independent of any agreements with consumer countries.

Third, the study suggests promoting trade with the entire block of developing countries, rather than with specific developing countries.

The document may be used by Latin American delegates attending the September GATT meeting in Uruguay and by delegates attending a regional conference on raw materials to be held at the end of the year in Guatemala, at the initiative of Sanguinetti and Garcia.

SURINAME

MILITARY LEADERS RESIGN; BOUTERSE ISSUES WARNING

FL111910 Paramaribo International Service in English 1800 GMT 11 Jul 86

[Text] Two former commanders, Artie Gorre, and Paul Bhagwandas have resigned from the military authority for the benefit of the country and the revolutionary process. This statement was made by commander Bouterse Wednesday last when Bhagwandas handed over the command of the battallion to Jamor (Edirovelt). The ceremony took place on the parade grounds of the camp.

In a speech after the ceremony, Commander Bouterse warned opponents of the revolution not to attempt any false move because of the resignations.

Two weeks ago, the military authority issued a statement which said that Bhagwandas and Gorre requested to be released on their many and responsible duties related to the membership of the military authorities.

FBIS DAILY REPORT
CONTENTS
Latin America

Vol VI No 135 15 July 1986

ARGENTINA

Former Commanders Receive Greetings on 9 July B 1
Briefs: Currency Devaluation; Argentine-Japanese Trade Council; Agreement With GDR Company B 1

BOLIVIA

Valle Notes President's Confidence in Military C 1
Oil Workers Suspend Strike in Santa Cruz C 1
Senate Estimates Drug Traffic Yields $3 Billion C 2

BRAZIL

Mission Leaves for Havana 14 July; Cubans Arrive D 1
Angolan Minister Meets Sarney, Abreu Sodre D 1
Foreign Minister May Vist PRC This Year D 1

CHILE

Merino Advises U.S. To Change Ambassador E 1
    U.S. Ambassador Replies E 1
Pinochet Asks Envoys To Defend National Cause E 1
Carvajal Denies Armed Forces Burned Youths E 2
Valdes Reacts to Pinochet Plan To Extend Term E 3
    Saldivar, Cimma Comment E 4
Journalist Submits Documents for 1989 Plebiscite E 5
Copper Workers Congress Backs Seguel Proposals E 5
Briefs: New Liberal Party President; New Civil Defense Director E 5

ECUADOR

Foreign Minister Urges End to C.A. Intervention G 1
French Official Brings Letter From Premier G 1
Crude Oil Price Drops Below Production Cost C 1
    Production Reduced by 5 Percent G 2
Opposition Adopts Common Platform in Legislature G 2

PERU

Garcia Suffering From Bronchial Congestion J 1
Cabinet Submits Protocolary Resignation J 1
Salinas on Terrorism, Role of Armed Forces J 1
500 Shining Path Members Attack Police Station J 3
Police Car Blown Up; Local Official Murdered J 3
Briefs: Prefects Tender Resignations J 3

MEXICO

Government Reportedly Reaches Agreement With IMF M 1
De la Madrid Stresses Power of Nonaligned Movement M 1
Sepulveda To Discuss Debt, Regional Situation M 2
Sepulveda Visits Spain, Portugal; Holds Talks [cross-reference] M 2
Riva Palacio To Visit Central, South America M 2
State, Municipal Election Results Released M 3
Chihuahua, Juarez, Durango M 3
Durango Palace Occupied M 3
Further Chihuahua Results M 4
Campeche State Results M 4
PRI Wins in Zacatecas M 5
Michoacan Results M 5
Tijuana Results M 6
Briefs: Oaxaca Officials Arrested; Oil Prices for Japan M 6

PANAMA

DEPAT Communique on PCC Directors Meeting [LA ESTRELLA DE PANAMA 11 Jul] N 1
MATUTINO Views Results of Canal Board Meeting [11 Jul] N 2
Abadia on Demand for Payment of Canal Surplus N 3
Students Stage Demonstrations on Central Avenue N 3
Columnist Says Church Siding With Opposition [LA REPUBLICA DOMINICAL 13 Jul] N 4

CENTRAL AMERICA

COSTA RICA

Officials Comment on Campaign Against Drugs P 1

EL SALVADOR

Philip Habib Confers With President Duarte P 1
Venceremos Replies to Duarte's Gotera Speech P 2

GUATEMALA

Habib Arrives, Meets With Foreign Minister P 3
Cerezo Discusses Benefits of Trip to Mexico P 4

NICARAGUA

Church Asks Reconsideration of Vega Expulsion [AFP] P 7
Compensation To Be Sought From U.S. at GATT P 7
UK Envoy Expresses Support for ICJ Rulings P 8

CUBA

Rodriguez, Risquet Express Condolences to Vietnam Q 1
U.S. Food Aid May Go to Contras Q 1
Nicaraguan Women's Group Tours Guantanamo Q 1
Politburo Member Announces TANA President Q 1
Austrian Parliamentary Delegation Arrives Q 2
Indian Navy Ship Godavari Arrives in Havana Q 2
Cooperation Protocol Signed With Zimbabwe Q 2
    Minister Departs Q 3
Preparations for OAU, Nonaligned Meetings Outlined Q 3
Commentary on U.S. Trying 'To Sabotage' Contadora Q 4
Commentary Views Widespread U.S. Drug Problem Q 4
'Our America' Views Foreign Debt Situation Q 4
Raul Castro Presides Over Military Graduation Q 6
Havana Archbishop on Situation of Church [EFE] Q 6
Provincial Assessment Meetings on Deficiencies Held Q 8
Central Committee Members Attend Analysis Meeting Q 8

CARIBBEAN

BARBADOS

Foreign Minister Invited to Venezuela for Talks S 1

GRENADA

Cash Flow Problems Delay Debt Payments S 1

TRINIDAD-TOBAGO

Opposition Predicts Possible Economic Collapse S 2

GUYANA

Hoyte Says Economy Revitalization Main Goal T 1

SURINAME

Bouterse Accuses Netherlands of Interference U 1

FORMER COMMANDERS RECEIVE GREETINGS ON 9 JULY

PY141505 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1501 GMT 13 Jul 86

[Text] A press source today reported that the four former Armed Forces commanders who are under arrest at the Magdalena military prison for excesses committed during the struggle against subversion have received official greetings from their respective forces on the anniversary of the national independence that was commemorated on 9 July.

The press report that was published in the newspaper LA CRONICA quotes military sources as saying that representatives from the Army and the Navy went to the Magdalena prison to extend their greetings to Army Generals Jorge Videla and Roberto Viola, retired, as well as to Admirals Emilio Massera and Armando Lambruschini, retired.

The newspaper report also adds that Air Force General Orlando Agosti, retired, former Air Force commander who is also under arrest for his involvement in human right violations and who is hospitalized at the Air Force Hospital in Buenos Aires, also recieved special visits on that day, but none of them constituted an official Air Force representation.

The press report states that the Army delegation was headed by a general on active duty, serving in the logistics area, and that he was sent by the Army Staff.

Admirals Massera and Lambruschini were greeted by a committee appointed by the Naval General Secretarait. This committee was headed by a Navy captain who "was a former member of the Naval General Secretariat, which is a part of the Navy Staff."

The sentences issued against the five former Armed Forces commanders have been appealed to the Supreme Court by the respective defense counsels.

BRIEFS

CURRENCY DEVALUATION -- The Central Bank has devalued the austral by 1.12 percent against the U.S. dollar. Therefore, as of 11 July, the U.S. dollar stands at 0.90 australs and 0.91 australs, buying and selling rate, respectively. [Summary] [Buenos Aires Domestic Service in Spanish 0200 GMT 12 Jul 86 PY]

ARGENTINE-JAPANESE TRADE COUNCIL -- It was announced today at Government House that by Decree 1097, the Argentine International Cooperation Council with Japan has been created to improve and facilitate Argentine-Japanese trade. The council comprises official and private-sector representatives, and it will be chaired by Oscar Jorge Romero, international economic relations undersecretary. [Summary] [Buenos Aires TELAM in Spanish 1524 GMT 4 Jul 86 PY]

AGREEMENT WITH GDR COMPANY -- Cordoba, 5 Jul (TELAM) -- The Takraf company of the GDR and the Materfer Company of Buenos Aires have signed an agreement to jointly produce railway cranes. The agreement calls for transferring technology, manufacturing equipment, and final marketing in Latin America. This agreement was reported by Wolfgang Keil, the GDR's depty heavy industry minister. [Summary] [Buenos Aires TELAM in Spanish 1409 GMT 5 Jul 86 PY]

VALLE NOTES PRESIDENT'S CONFIDENCE IN MILITARY

PY110330 La Paz La Red Panamericana in Spanish 0000 GMT 11 Jul 86

[Text] Defense Minister Luis Fernando Valle has stated that the president of the Republic has expressed confidence in the military high command, rejecting any political attempts to create conflicts within the heart of the military command. The defense minister said that the head of state had instructed him to expedite investigations into the theft of the diaries of Ernesto "Che" Guevara and told him that moralization must have priority among all government actions.

These were the statements by National Defense Minister Luis Fernando Valle.

[Begin recording, in progress] ...because the government's policy is that the moralization we are seeking as a national government involves not only the civilian but also the military sphere. In the second place, the president discussed with me a number of recent reports which, to a certain degree, affect the morale of the Armed Forces. Some politically motivated events, which seek to destabilize the members of the military high command, have already been reported.

The president has said that he has absolute confidence in the current military high command, that it will continue in its functions in accordance with the military laws and rules and regulations, and that he is instructing me to tell the current military high command to act with the greatest strictness and adherence to the law, abiding by all the civilian and military codes and rules in all cases involving lack of discipline or disrespect for authority, which is the cornerstone of the Bolivian Armed Forces. [end recording]

Moving on, Fernando Valle said that Armed Forces' intervention [passage indistinct] leads to preserve the national territory as established by the Constitution. Thus, the Armed Forces must guarantee the normal supply of fuel to the people, he said.

OIL WORKERS SUSPEND STRIKE IN SANTA CRUZ

PY120202 La Paz La Red Panamericana in Spanish 0000 GMT 12 Jul 86

[Text] The Santa Cruz oil workers' strike has been suspended. The situation at the Palmazola refinery is becoming normal. Let us listen to a report by Radio Panamericana correspondent Felipe Calvi Montes on this issue.

[Begin relay] A meeting among Santa Cruz, Centro, and Palmazola oil workers, which started at 1130, has concluded. Let us point out that the strike declared by the Centro district oil workers was suspended today at 0930. As a result of this situation, the Santa Cruz prefect was informed around 1200 that the Palmazola district oil workers were also suspending their strike, that is [words indistinct] concerning Santa Cruz Department.

At the conclusion of this [words indistinct], we are giving the text of a statement signed by Andrew Vargas Santander, president of the strike committee; Alberto Soto [name indistinct], for the Federation of Bolivian Oil Workers; Juan [first name indistinct], YPFB [Bolivian Government Oil Deposits] operations manager; and Luis Alberto Roca, [words indistinct].

These are the statement's five points:

1) The oil workers of the Oriente oil workers' trade union commit themselves to suspend immediately the general indefinite strike declared on 8 July 1986 and conform to the terms of the negotiations conducted between the supreme government and the Federation of Bolivian Oil Workers.

2) The Santa Cruz prefect's office commits itself to initiating talks to achieve the release of the detainees as soon as possible and retrieve records of the case.

3) The military and police units will stay until activities are resumed and work is completely normal.

4) The Santa Cruz prefect's office gives the necessary guarantees to the oil workers, assuring them that those involved in this strike will not be arrested.

5) The Santa Cruz prefect's office will coordinate with and assist the appropriate authorities in the search for solutions to the oil workers' proposals under the terms of the negotiations conducted between the central government and the Federation of Bolivian Oil Workers.

This is the full text of the statement that puts an end to the strike declared on 8 July in the city of Santa Cruz, which no doubt caused serious problems and conflicting situations, such as that involving the Lloyd Bolivian Airline. [end relay]

SENATE ESTIMATES DRUG TRAFFIC YIELDS \$3 BILLION

PY111854 La Paz La Red Panamericana in Spanish 1130 GMT 11 Jul 86

[Excerpt] The Senate's Dangerous Drugs and Narcotics Commission has produced a report. According to Senator Daniel Cabezas, who spoke at a press conference yesterday, this report will be submitted to Congress during the next session.

Cabezas also disclosed that drug trafficking produces up to \$3 billion annually, of which only 20 percent remains in the country

[Begin Cabezas recording] According to estimates, calculated on the price of cocaine sulfate in El Beni 2 months ago, it is estimated that drug trafficking in Bolivia totals approximately \$3 billion annually. As we have already stated, only 20 percent of this total remains in the country; the rest goes abroad, because it is foreign capital which has been invested in Bolivia for drug trafficking activities. Only a few Bolivians are involved in this activity; some reports say a total of 30 people, but we believe there are not more than 12 to 15 families engaged in drug trafficking. They are the ones handling this quantity of money, of which only \$600 million remains in the country. [end recording] [passage omitted]

MISSION LEAVES FOR HAVANA 14 JULY; CUBANS ARRIVE

PY141509 Brasilia Radio Nacional de Amazonia in Portuguese 1000 GMT 14 Jul 86

[Text] The Brazilian diplomatic mission which is going to establish the Brazilian Embassy in Cuba is leaving for Havana today. The mission is headed by Luis Antonio Gagliardi, the chief of the Brazilian Foreign Ministry Liaison and Documentation Department. The mission's objective is to inspect and choose the premises for the embassy and the ambassador's residence. The mission also includes two diplomats, two technicians, and an architect. They are also responsible for installing telephone lines and telex and other services.

While the Brazilian mission visits Havana, three Cuban diplomats are in Brasilia to make preparations for the establishment of the Cuban embassy in Brasilia. The Cubans arrived in Rio de Janeiro yesterday and will come to Brasilia this morning to meet with the director of protocol of the Brazilian Foreign Ministry. The Brazilian and Cuban missions will take about 3 weeks to establish the two embassies. The next step will be to ask the approval of the two governments for the appointment of the ambassadors. The current Brazilian ambassador to the PRC, Italo Zappa, is being mentioned as the candidate for Brazilian ambassador in Havana. The Cuban Government is expected to name as Cuban ambassador to Brasilia Jorge Bolanos, the Cuban vice minister of foreign relations.

ANGOLAN MINISTER MEETS SARNEY, ABREU SODRE

PY150241 Brasilia Domestic Service in Portuguese 2200 GMT 14 Jul 86

[Text] The Angolan Embassy will be operating in Brazil by next week. This announcement was made in Brasilia by Angolan Foreign Trade minister Ismael Gaspar Martins. Martins met with Foreign Minister Abreu Sodre to discuss trade between the two nations. The Angolan minister was received by President Sarney. He reports on what they discussed.

[Begin Martins recording] We talked about the possibilities and problems, and especially about the great affinities existing today between Brazil and Angola. [end recording] The Angolan minister also gave Sarney a letter from Angolan President Jose Eduardo dos Santos.

FOREIGN MINISTER MAY VISIT PRC THIS YEAR

PY121820 Brasilia Radio Nacional de Amazonia Network in Portuguese 1000 GMT 12 Jul 86

[Excerpt] Foreign Minister Abreu Sodre, who yesterday returned from his trip to Rome with President Sarney, probably will visit the PRC this year. According to Itamaraty spokesman Minister Rui Nogueira, this trip might be the first step in preparing a visit by President Sarney. Rui Nogueira also said that Abreu's visit to Beijing was decided upon during PRC Vice Foreign Minister Zhu Qihen's visit to Brazil at the beginning of last week.

[Begin Nogueira recording] During PRC Vice Foreign Minister Zhu Qizhen's visit to Brazil last week to hold political talks on the agreement signed by Brazil and the PRC 3 years ago, Foreign Minister Abreu Sodre was invited to visit the PRC. The minister accepted the invitation and, during the next few weeks, the two foreign ministries will discuss the possibility of establishing mutually convenient dates for the visit. [end recording] [passage omitted]

MERINO ADVISES U.S. TO CHANGE AMBASSADOR

PY141825 Santiago Domestic Service in Spanish 1700 GMT 14 Jul 86

[Relay from Government House by Rosa Gonzalez]

[Text] Navy Commander Jose Toribio Merino has just expressed his regrets to President Pinochet over the vandalism to which the Pinochet family mausoleum was subjected. Admiral Merino said that this action is characteristic of communists.

The Navy commander arrived unexpectedly at the La Moneda Government House to express his regrets to President Pinochet. At the end of the meeting, and while answering journalists about the recent statement issued by the U.S. State Department, Merino said that if the U.S. Government were to change its ambassador to Chile it would be better informed about the true situation that Chile is experiencing.

U.S. Ambassador Replies

PY150336 Santiago Radio Chilena in Spanish 2300 GMT 14 Jul 86

[Text] Admiral Toribio Merino's suggestion that the U.S. ambassador be replaced has received a rapid reply from U.S. Ambassador Harry Barnes, who said that he hopes to be able to talk with the admiral to discuss some topics.

[Begin Barnes recording] We should give some thought to what the admiral said. We, in fact, expect that Mr Gelbard will have the opportunity to talk with the admiral and discuss several topics. I myself would like to talk with the admiral. [end recording]

Barnes added that if President Reagan does not like the way I handle my duties, he, as President of the United States, can take the necessary measures. However, it seems that he trusts me, Barnes added, alluding to the supportive words of the U.S. President for the ambassador's mission in Santiago.

The U.S. Embassy has issued a communique reaffirming that Barnes is the representative of President Reagan in Chile and that in that capacity he speaks for the U.S. Government. In turn, Foreign Minister Jaime del Valle, when asked about the status of relations with the United States, said that normal relations can go through moments that are better than others. He added that these relations will be analyzed in the meetings with U.S. Deputy Assistant Secretary for Inter-American Affairs Robert Gelbard and then we will certainly make decisions, but he did not specify what kind of decisions.

Minister Del Valle will receive Gelbard tomorrow in the Foreign Ministry. Today Gelbard talked with General Rodolfo Stange, Carabineros director general. He will also meet with representatives of the opposition.

PINOCHET ASKS ENVOYS TO DEFEND NATIONAL CAUSE

PY142015 Santiago Domestic Service in Spanish 1700 GMT 14 Jul 86

[Relay from Government House by Rosa Sanchez]

[Text] President Pinochet today called on Chilean ambassadors abroad not to remain silent over Marxist actions and to answer categorically, courageously, and specifically these malicious attacks.

The president made this statement during a lecture he gave at the opening ceremony of the seminar being held by Chilean diplomats. This seminar, which will close on 18 July, is sponsored by the Foreign Ministry with the purpose of coordinating policies and informing ambassadors abroad about the national situation.

The president told the Chilean diplomats that he gives particular importance to the fact that people abroad should be informed about the magnitude of the challenge that Chile is confronting, that is, Chile either consolidates the institutionality that was approved by the people through the 1980 Constitution and projects itself through a solid and stable democracy, or it deviates from this path and allows anarchy to prevail by yielding to totalitarianism.

President Pinochet added that the government, which is aware of the historic responsibility it assumed in 1973, is determined to project those principles to take it beyond this term and is working hard so that the full enforcement of the Constitution may be achieved.

The president also reasserted that if, on 11 September 1973, we witnessed the fall of institutions that cannot be changed in some other countries, this was not because of a coup promoted by selfish ambitions -- as is being publicized in international propaganda -- but because the Armed Forces and the forces of order decided to assume their duty of safeguarding essential national principles.

CARVAJAL DENIES ARMED FORCES BURNED YOUTHS

PY121752 Santiago Domestic Service in Spanish 1100 GMT 12 Jul 86

[Text] The defense minister, Vice Admiral Patricio Carvajal, has stated that it is the ideas, not the individuals, that will project themselves beyond 1989. He made this statement after presiding over a graduating ceremony at the National Academy for Political and Strategic Studies. [recorded passage indistinct]

The government has committed itself, Minister Carvajal said, to comply with the Constitution. We possess this legal political structure that sustains the current process, and all of us are engaged in ensuring that it is maintained and fully complied with.

Minister Carvajal then categorically rejected the reports that indicate that members of the Armed Forces are involved in the case of the burned youths. [recorded passage indistinct] The defense minister added: It seems to me that it is very possible that people who handle explosives have fallen victims to their own (?passions).

[Begin Carvajal recording] This has already happened. How many times have we heard about terrorists who have prepared a bomb which has then exploded, multilating or killing them? This opinion is supported by the fact that both youths, after being taken care of and brought for medical attention, refused to make any kind of statement. Only afterward did some rumors begin to circulate. I would not like to make any hasty judgment, but I think this is the most probable [word indistinct]. [end recording]

He said that the reports to the contrary are undoubtedly part of the campaign aimed at discrediting the forces that are in charge of guaranteeing security and order for the citizens.

VALDES REACTS TO PINOCHET PLAN TO EXTEND TERM

PY142305 Santiago Radio Chilena in Spanish 1700 GMT 14 Jul 86

[Text] Christian Democratic Party [PDC] President Gabriel Valdes has said that the statements recently made by General Pinochet on continuing his government until 1997 are an extremely serious political action which directly affects the nation's life and the destiny of all Chileans.

Valdes noted that we believe that Pinochet's attitude truly challenges the Armed Forces' honor. Valdes stated that in Chile there is an arbitrary power which seeks to perpetuate itself. He said that this is a very serious time. Thus, it is necessary to speak clearly and demand the end of ambiguities in all sectors.

[Begin Valdes recording] We believe that Gen Pinochet's attitude truly challenges the Armed Forces' honor. The civilians have lived together with the Armed Forces since the Republic was established. We hope that they [word indistinct] the way of meeting again with the people. We cannot allow the existing separation to turn into an abyss with violence destroying the achievements of 150 years of efforts.

Pinochet is asking us to surrender unconditionally. We do not accept such a surrender. We will not relinquish our democratic calling, whatever the risks involved.

We will struggle throughout Chile to oppose Pinochet's will until democracy and the honor and justice of every Chilean family are restored. [end recording]

Gabriel Valdes recalled the thinking of former President Eduardo Frei, who in 1980 stated that Gen Pinochet's will is to keep Chileans bound for almost a quarter of a century.

In 1980 Frei stated that Pinochet's plan did not involve transition, but only a continuation and strengthening of his personal power.

[Begin Valdes recording] That personal power has never wanted to hear the nation's democratic expression.

For our part, we have a very clear conscience. We did everything possible in an attempt to reach a peaceful and agreed upon solution to a crisis to which we were led by the regime's arbitrariness.

Ever since the 1983 democratic manifesto, the formation of the Democratic Alliance, the participation in the dialogue, a letter to the commanders in chief, and dozens of statements leading to the signing of the National Accord, which was prompted by an initiative of Santiago's archbishop, we have expressed our willingness to reach agreement and proposed immediate measures to create the conditions for a transiton.

In conclusion, the National Civic Assembly [ANC], which is an expression of the majority of the Chileans, proposed the "Chile Demands," which is a demand for democracy.

All these cumulative efforts, as well as several others made by the church, spiritual authorities, and foreign personalities and governments, have been stubbornly rejected or ignored. [end recording]

Gabriel Valdes expressed pessimism over the effects achieved by the political parties after the government refused to listen to the proposals for achieving a consensus.

[Begin Valdes recording] Nothing is obtained by offering political formulas as long as there is no willingness to promptly seek a solution to the crisis. If such a willingness were expressed, we would be open, as always, to a dialogue with those who are serious and responsible. This is necessary in order to find a civilian or military person who inspires the required confidence to call for a transition leading to the holding of free elections, to express the people's will. [end recording]

In conclusion, Gabriel Valdes insisted that the country needs to learn the Armed Forces' opinion on this critical situation.

Saldivar, Cimma Comment

PY142206 [Editorial Report] Santiago Radio Chilena in Spanish carries in its 1700 GMT newscast on 14 July a recorded 5-minute interview with Andrew Saldivar, former state minister and former president of the Christian Democratic World Union [CDWU]. Saldivar is asked about the interview he granted to APSI magazine in which he made statements dismissing the possibility of a dialogue with General Augusto Pinochet, but not with the Armed Forces.

Andres Saldivar begins by saying that his opinion was confirmed by the statement General Pinochet made a few days ago in Concepcion, when the general dismissed any chance for a political dialogue to seek a peaceful transition to democracy. Pinochet has taken the position of implementing without discussion the 1980 Constitution and of continuing in government for 16 years through a plebiscite in which he will be the only candidate. Saldivar says that the people must not give in to what he called the thoughtless position of Gen Pinochet, who definitely does not want to offer a way out, solution, or dialogue.

Saldivar then adds that the citizenry must stand up to demand their rights, one of them being to live in democracy. He goes on to say that what is happening is the rule for any dictatorial or authoritarian government: As time passes, they are isolated, and the authoritarian figure retreats into a bunker, as the Central Americans used to say. This is the case of Gen Pinochet, because he now has fewer followers than he had some time ago. I believe, Saldivar asserts, that after the statement he made on 10 July, Pinochet had even fewer followers.

This is so, Saldivar adds, because the serious situation Pinochet created with his statement should elicit discussion among his colleagues of the Armed Forces about the advisability of continuing down that road. I do not mean that the opening should come through conspiracy or division within the Armed Forces, but because as an institution they can open a possibility for dialogue. This, Saldivar says, is the road to follow in order to stop the increasing polarization of the country.

In the same newscast, Radio Chilena carries statements by Enrique Silva Cimma, president of the Radical Party and the Democratic Alliance. Silva Cimma says that he had thought, in an expression of generosity, about initiating a dialogue in response to the questions that were asked publicly by one of the generals of the Armed Forces, General Danus, who expressed his desire to know the thoughts of the opposition leaders. We wanted to talk with the Armed Forces, Silva Cimma asserts, because in that way they can understand that the people of Chile want to return to democracy through a peaceful process, a political way out. Pinochet is the chief of the Armed Forces, and we have no objections to talking with him in order to tell him that negotiations are necessary to stop the social mobilization.

Our intention, however, was dashed by the Concepcion speech, Silva Cimma concludes. That speech was a public answer to our efforts to initiate a dialogue, Silva Cimma adds, but nevertheless we will persist in our efforts to hold a dialogue with the Armed Forces, and we will back the leaders of the National Civic Assembly in every way.

JOURNALIST SUBMITS DOCUMENTS FOR 1989 PLEBISCITE

PY150257 Santiago Radio Chilena in Spanish 1700 GMT 14 Jul 86

[Excerpt] Federico Willoughby, a journalist and political leader, this morning officially applied to run in the 1989 plebiscite. His nomination must be approved by the commanders in chief of the Armed Forces and the Carabineros director. Willoughby forwarded the appropriate notes to the Defense Ministry.

Willoughby made the following statements to the "Primera Plana" program.

[Begin recording] This morning we forwarded to the commanders in chief of the Armed Forces and the Chilean Carabineros director the note I referred to on the "improvising" program, broadcast by radio Chilena. The note proposes my name or that of any other civilian or uniformed Chilean citizen to run in the plebiscite established under Provisional Article 27 of our Constitution.

If this proposal is not approved, the note proposes that the proper article in the Constitution be amended to allow open elections. The note also suggests that if the candidate holds a political-administrative position it would be appropriate -- to ensure the purity of the plebiscite -- for said nominee to temporarily relinquish such a position during the campaign period to allow a pure and clean campaign and election. [end recording] [passage omitted]

COPPER WORKERS CONGRESS BACKS SEGUEL PROPOSALS

PY150110 Madrid EFE in Spanish 1532 GMT 14 Jul 86

[Text] Santiago, 14 Jul (EFE) -- Only 2 of the 98 leaders of the powerful Confederation of Copper Workers [CTC] have disagreed with the proposal presented by the workers' leader, Rodolfo Seguel, during the CGT Congress. The voting on the final conclusions of the congress favored Seguel's motions. There were 93 votes for, 2 against, and 3 abstentions on his proposal, including the vote by Hugo Estivales, state counselor named by General Augusto Pinochet.

Among the main agreements adopted by the representatives of the 23,000 workers of the Chilean copper mines is the support for Seuguel's suggestion to keep the CTC in the National Workers Command and the National Civic Assembly. Another of the approved items refers to "the rejection of the last statement" by Pinochet regarding his intention to "extend" his term of office beyond 1989.

BRIEFS

NEW LIBERAL PARTY PRESIDENT -- Carlos Barrientos, a surgeon, was unanimously elected president of the Liberal Party [PL] during a PL national convention yesterday in Santiago. Barrientos replaces Gaston Ureta, who recently resigned. [Summary] [Santiago EL MERCURIO in Spanish 30 Jun 86 p C 5 86 PY]

NEW CIVIL DEFENSE DIRECTOR -- Brigadier General Alfredo Mujica Collados has been appointed director general of the Chilean Civil Defense, replacing Colonel Diego Grez, retired, who resigned "for strictly personal reasons." [Summary] [Santiago LA TERCERA DE LA HORA in Spanish 1 Jul 86 p 14 PY]

FOREIGN MINISTER URGES END TO C.A. INTERVENTION

PA111937 Quito Voz de los Andes in Spanish 2330 GMT 9 Jul 86

[Text] Foreign Minister Edgar Teran Teran has said that Ecuador feels that all forms of foreign intervention in Central America must cease, so that the countries in that region can elect their own forms of government.

International pressures have been exerted in Central America, preventing the countries in the area from finding a formula by which they can choose the form of government that best suits them, Teran said at a news conference.

He added that Ecuador's foreign policy regarding Central America is based on two ideas: rejecting all types of interventionalism and supporting the implementation of true democratic systems.

Teran said that the nonintervention principle should be followed without exception by all sectors involved in the Central American conflict.

FRENCH OFFICIAL BRINGS LETTER FROM PREMIER

PA111203 Quito Voz de los Andes in Spanish 1130 GMT 9 Jul 86

[Excerpt] Foreign Minister Edgar Teran Teran has stated the following regarding the official visit by the French secretary of state to the foreign affairs minister:

[Begin Teran recording] Minister [as heard] Didier Bariani has delivered to President Leon Febres Cordero a personal letter from the French prime minister, and he has made even more solemn the ceremonies to mark the 250th anniversary of the arrival in what is now Ecuador of the French geodetic mission. In the long history of good cultural and scientific relations between Ecuador and France, one of the most importent episodes was the arrival of the geodetic mission. [passage omitted] [end recording]

CRUDE OIL PRICE DROPS BELOW PRODUCTION COST

PA121432 Quito Voz de los Andes in Spanish 1230 GMT 12 Jul 86

[Text] The price of Ecuadoran crude oil has dropped and is now below its production cost per barrel, placing the investment price per barrel at more than $2 [as heard] above the market price.

The crisis in the international oil market has severely affected the country's economic structures. Specifically, in the case of the Ecuadoran State Petroleum Corporation [CEPE], the prices of long-term exports are being set below the production costs.

According to official information, CEPE reduced the price of its shipments to $8.36 yesterday, although it must invest $10 per barrel of crude produced in the northeast fields.

Production Reduced by 5 Percent

PA141824 Buenos Aires REUTER in Spanish 1709 GMT 14 Jul 86

[Text] Quito, 14 Jul (REUTER) -- Ecuador, a lesser member of OPEC, has announced that, beginning today, its crude oil production will be reduced by 5 percent, an important government source has reported.

The announcement was made during a news conference by energy minister Javier Espinosa. He noted that beginning today the daily production, which had been 303,000 barrels, will now drop between 285,000 and 288,000 upon a recommendation from OPEC.

OPPOSITION ADOPTS COMMON PLATFORM IN LEGISLATURE

PA111645 Quito Voz de los Andes in Spanish 2330 GMT 9 Jul 86

[Text] Strengthened by its victory in the recent legislative elections, the Ecuadoran political opposition has announced that it will adopt a common platform in the unicameral congress to be inaugurated on 10 August to reject the antipopular and antinational policy of Leon Febres Cordero's government.

The six center-left political parties that make up the so-called Progressive Bloc won the majority of congressional seats following the 1 July elections.

In a nine-point press communique signed by the leaders of the six parties, the political groups state that they will maintain a firm and democratic opposition in congress against the government's antipopular and antinational policy, as well as against despotism and abuse of power.

The parties that comprise the Progressive Bloc are the Popular Democracy, of Christian democratic tendency; the Democratic Left, of social democrtic tendency; the Ecuadoran Roldosist Party, populist; the Ecuadoran Socialist Party, Marxist; and the Communist Broad Front of the Left and Democratic People's Movement.

According to unofficial reports, so far the six parties have won 42 of the 71 congressional seats, which is more than 50 percent.

The three center-right political parties -- Social Christian, Liberal, and Conservative, who together with other coalitions took Social Christian President Febres Cordero to power -- have won 18 seats.

Three other parties -- the Concentration of Popular Forces, the Alfarist Radical Front, and the Democratic Party -- which in the past have either supported the government or the opposition, won a total of nine seats.

The opposition's Change and Democracy Party won one seat, while the remaining seat will go the Carlos Peraud, an independent deputy who has openly opposed President Leon Febres Cordero.

GARCIA SUFFERING FROM BRONCHIAL CONGESTION

PA142101 Paris AFP in Spanish 2031 GMT 14 Jul 86

[Text] Lima, 14 Jul (AFP) -- President Alan Garcia is suffering from bronchial congestion, which has forced him to postpone at least one official act, the Presidency's Press Secretariat reported today. The explanation about the young president's ailment was given when an event in which Garcia was to be decorated with the medal of the national congress by Senate President Luis Alberto Sanchez was postponed for 2 or 3 days. The ceremony was to have been held today in the Government Palace, it was announced.

CABINET SUBMITS PROTOCOLARY RESIGNATION

PY141411 Lima Radio del Pacifico in Spanish 1300 GMT 14 Jul 86

[Text] In what is looked upon as a protocol step, all the ministers of the Cabinet yesterday submitted their resignations to the president, who is now at liberty to confirm them or make changes to the team of ministers. This step has been taken just a few days before the president will read his message to the nation in Congress on 28 July. In his message the president will announce his new team of ministers, and it is rumored that there will be a few changes. One of the changes will be the appointment of a new justice minister, following the resignation of Dr Luis Gonzales Posada several weeks ago.

There is speculation in the newspapers regarding which ministers will leave as of 28 July and their possible successors. The morning papers and some magazines assert that the Navy, fisheries, labor, education, and industry ministers, among others, will be replaced.

SALINAS ON TERRORISM, ROLE OF ARMED FORCES

PY141853 Lima Panamericana Television Network 0100 GMT 14 Jul 86

[Interview with Interior Minister Abel Salinas by Fernando Vazques; date and place not given -- live or recorded]

[Excerpts] [Vazques] Good evening, Mr Minister.

[Salinas] Good evening.

[Vazques] In your opinion, why is there still terrorism in the country?

[Salinas] Well, it is evident that subversion -- I refer to the Shining Path and the Tupac Amaru Revolutionary Movement -- indends to introduce murder as an instrument in an attempt to change the course of the country's future and thus accomplish their goals. For that reason, these treacherous and cowardly murders are apparently a weapon to be used in the political struggle.

[Vazques] And what steps will the government take in its fight against terrorist actions?

[Salinas] In my opinion, there are two clearly different aspects in the field of subversion. One is related to a long-term process, which is a consequence of an answer to decades of injustice experienced particularly by the inhabitants of the Andean region and by the poor. There is another immediate aspect: to use the law and the Constitution to fight against those who commit crimes and murder. To fight them we will continue to use a firm and steady hand, as an organized and law-abiding country should.

[Vazques] Before the elections which made him president, Alan Garcia stated the following: I do not know what the Armed Forces are doing in Ayacucho, fighting an invisible enemy, without having a definite field of battle. However, as you and all Peruvians know, the Armed Forces are no longer in Ayacucho only, but also in Lima. What has changed to bring about the current situation?

[Salinas] Our actions and the presence of the Armed Forces, particularly in Lima, have a dissuasive and preventive character, which has been welcomed by the people. I remember that the polls we have conducted, as well as those you must have conducted, showed that the people gladly welcomed this preventive measure. [passage omitted]

[Vazques] Mr Minister, the Executive Board of the American Popular Revolutionary Alliance [APRA] released on 30 June a public statement mentioning the existence of two lefts -- one loyal to the government, and another in favor of violence. Do you earnestly believe that there is a left in favor of violence, one that possibly supports subversion in the country?

[Salinas] What I believe is that there is not necessarily a loyal left, and another in favor of violence...

[Vazques, interrupting] This is what the APRA document states...

[Salinas continues] ...what exists is a left that believes in the democratic mechanism. When they refer to violence, they do not necessarily refer to any party enjoying public and political life in the country.

[Vazques] Not to any party participating in Congress, then?

[Salinas] No, to none of them, because if they rejected the democratic mechanism they should not be there.

[Vazques] And what did deputies Valencia and Leon Alegria refer to when they accused the National United Party [PUN], which participates in Congress and belongs to the United Left, of financing subversion in the country?

[Salinas] Neither of the two deputies has accused the PUN of financing subversion. What is being analyzed and discussed is the propriety of a certain kind of language, propaganda, and proposals used by these parties, whether or not they obey current laws and the Constitution. [passage omitted]

500 SHINING PATH MEMBERS ATTACK POLICE STATION

PY140208 Madrid EFE in Spanish 1946 GMT 13 Jul 86

[Text] Lima, 13 Jul (EFE) -- During an attack on a police station in Apurimac Department by some 500 suspected members of the Shining Path, 2 civil Guardsmen were killed and another seriously wounded.

The attack occurred early Saturday in Chacapuente, 92 km from the department capital of Abancay, 970 km southeast of Lima. According to police sources, the terrorists attacked the police station with incendiary bombs.

Corporal Ricardo Mendoza, 40, and Civil Guardsman Rember Mendoza, 24, were killed, and Civil Guardsman Juan Paco was seriously wounded. After the attack on the police station, the terrorists entered the town and dynamited two vehicles, one belonging to the municipality and another to the Transport and Communications Ministry.

Before leaving the town, the terrorists sacked two stores and, according to reports, stole all the arms and ammunition from the police station.

POLICE CAR BLOWN UP; LOCAL OFFICIAL MURDERED

PY142001 Madrid EFE in Spanish 1556 GMT 14 Jul 86

[Text] Lima, 14 Jul (EFE) -- According to a report by the local authorities in the southern city of Arequipa, subversive elements threw bombs at a police car, causing considerable damage. At Huayhuas in Huanta Province of Ayacucho Department, the deputy provincial governor and his father have been murdered.

In Arequipa, about 1,000 km south of Lima, terrorists placed explosives under a police car at midnight last night. The car was parked in front of the barracks of the 3d Region of the Civil Guard.

According to a report published by the newspaper EL NACIONAL, the car was destroyed and several nearby houses were seriously damaged by the explosion.

On 11 July the same newspaper carried a story about 60 Maoist Shining Path guerrillas who raided the peasant community of Huayhuas and captured Deputy Governor Marcelino Corichaugua and his father, Teofilo Corichagua, 60.

Later, their bodies were found on the Huanta-Ayacucho road with their throats cut. The bodies were bound and blindfolded.

BRIEFS

PREFECTS TENDER RESIGNATIONS -- In a private meeting at Government Palace today, Lima Department Prefect Jorge del Castillo tendered his resignation to President Alan Garcia. He will be replaced by the deputy prefect until President Garcia appoints another prefect. Del Castillo's resignation practically confirms his candidacy in the Lima municipal elections. Callao port captain Victor Raul de la Torre (Cima) has also tendered his resignation. [Excerpts] [Lima Panamericana Television Network in Spanish 0330 GMT 12 Jul 86 PY]

GOVERNMENT REPORTEDLY REACHES AGREEMENT WITH IMF

FL150155 Mexico City NOTIMEX in Spanish 0100 GMT 15 Jul 86

[Text] Washington, 14 Jul (NOTIMEX) -- Quoting Gustavo Petricioli, Mexican finance and public credit secretary, the Knight-Ridder [newspaper] chain has reported that Mexico and the IMF have reached a principal agreement and could resolve the technicalities within 1 week. Informed sources said the information is basically correct, but the figures in the agreement need refining.

For their part, Mexican sources indicated that this action appears logical, and they asked for more time to confirm the declarations attributed to the Mexican finance secretary. According to Knight-Ridder, Petricioli said the principal obstacles were resolved and much progress was made over the weekend in negotiations with IMF Director Jacques de Larosiere. There is complete agreement on Mexico's economic program, said Petricioli, who stressed that the IMF is in agreement with any budgetary deficit that does not take into account domestic interest payments and that adjusts budgetary figures to changes in oil prices. That measure, more than any other measure, would allow reduction of the deficit. The general result would be a nonrecessive program for Mexico, which is expected to grow between 3 and 4 percent between 1987 and 1988.

That was the main problem during the negotations of the past few days even though informants stressed that it was a superficial problem. Well-informed sources pointed out, nevertheless, that the IMF will not consider an agreement finalized until there is complete agreement on the figures.

For its party, the IMF declined to comment on the matter. According to the report, Petricioli will return to Mexico Tuesday. The bank committee and Angel Gurria, Mexican Finance Secretariat loan director, will hold negotiations on Wednesday in New York. Petricioli is meeting today with Paul Volker, director of the Federal Reserve (central bank), and (Barber Connable), new World Bank director.

The finance secretary is meeting on Tuesday with James Baker, U.S. Treasury secretary. A Treasury spokesman says this meeting is one of protocol.

Petricioli arrived here last Thursday, and some versions indicated it is possible that the agreement between Mexico and the IMF may be signed 15 July.

DE LA MADRID STRESSES POWER OF NONALIGNED MOVEMENT

FL112040 Mexico City NOTIMEX in Spanish 1605 GMT 11 Jul 86

[Text] Sarajevo, Yugoslavia, 11 Jul (NOTIMEX) -- The spirit and principles of the Nonaligned Movement have made the movement one of the world's most powerful forces, President Miguel de la Madrid has said.

In an interview that the Sarajevo daily newspaper OSLOBODJENJE will publish today, De la Madrid expressed the opinion that the Nonaligned Movement, to which Mexico belongs as an observer nation, has to face numerous challenges, especially that of the growing East-West confrontation. He added that it also faces accelerated rearmament, the disregard of the right of the people to exercise self-determination, and the growing separation between the rich and poor nations.

Referring to the most important achievements of the Nonaligned Movement, the Mexican president stressed the efforts of the member-countries to resist pressures from the East and West, and their contributions to the process of decolonization in recent decades.

Regarding the foreign debt, he said that Mexico refused to accept unilateral solutions and that his government is willing to resolve the debt problem through dialogue and agreements. He also said that for the debtor nations, many of which are Latin American countries, their foreign debts are the key to the future of their sovereignty and independence.

SEPULVEDA TO DISCUSS DEBT, REGIONAL SITUATION

FL141736 Mexico City NOTIMEX in Spanish 1647 GMT 14 Jul 86

[Text] Brussels, 12 Jul (NOTIMEX) -- Foreign Secretary Bernardo Sepulveda Amor will arrive tomorrow in The Hague to discuss with Netherlands authorities the Mexican debt and political situation in Central America. According to sources in the Netherlands Foreign Ministry, Sepulveda and Prime Minister Ruud Lubbers will hold talks on the political situation in Central America and the specific role being played by Mexico within the Contadora Group.

Likewise, the possibility that the Netherlands might lend support to the peace-seeking group from a European perspective will also be examined, as well as defining the political action that the Netherlands could undertake in international financial circles in that respect. Regarding Mexico's foreign debt, Sepulveda will meet with Finance Minister Omno Rudyn [name and tile as received], with whom he will examine the debt as a result of the drop in the price of oil, the main source of Mexico's foreign currency. The importance of these conversations is fundamental, inasmuch as Minister Rudyn is chairman of the IMF provisional committee and president of the group of the 10 more industrialized countries. Rudyn's position on the debt was demonstrated during the last EC finance ministers council meeting, when he said the Baker Plan gives an opportunity to the debtor countries to assume their responsibilities. He also said the industralized and developing nations should adopt anti-inflationary measures, as well as seek political solutions so that debtors can pay without giving up their economic growth.

SEPULUEDA VISITS SPAIN, PORTUGAL; HOLDS TALKS

For reportage on the visit to Spain and Portugal by Foreign Secretary Bernardo Sepulveda Amor, including accounts of his talks with Spanish and Portuguese leaders, see the Spain and Portugal section of the 10 July Western Europe DAILY REPORT and subsequent issues.

RIVA PALACIO TO VISIT CENTRAL, SOUTH AMERICA

FL111645 Mexico City NOTIMEX in Spanish 0340 GMT 11 Jul 86

[Excerpts] Mexico City, 10 Jul (NOTIMEX) -- The president of the Mexican Grand Commission of the Chamber of Deputies, Antonio Riva Palacio, Commission of the Chamber of Deputies, Antonio Riva Palacio, will begin a working tour tomorrow to Argentina, Bolivia, and Costa Rica to participate in important parliamentary meetings.

Riva Palacio, who presided over the 70th Interparliamentary Conference in Mexico last April, will participate in the 76th Conference of the Interparliamentary union to be held in Buenos Aires, Argentina. [passage ommited]

Likewise, Riva Palacio, during his stay in the city of Santa Cruz, Bolivia, will attend a Latin American Parliament meeting where important subjects, such as drug smuggling, will be discussed. [passage omitted]

Finally, the Mexican senator will travel to Costa Rica where he will meet with that country's Legislative Assembly's president, Rosemery Karpinski de Murillo [as received], and will exchange views on the important tasks parliament members have in the life of nations.

STATE' MUNICIPAL ELECTION RESULTS RELEASED

Chihuahua, Juarez, Durango

PA150420 Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 15 Jul 86

[Text] In Chihuahua, the State Electoral Commission has declared PRI member Fernando Baeza Melendez the victorious candidate in the post for state governor, after counting the votes of the state's 14 electoral districts. According to the president of the Chihuahua Electoral Commission, Baeza Melendez obtained 170,000 votes more than his closest opponent, National Action Party [PAN] candidate Francisco Barrio. He added that the PAN has not yet filed any legal appeal in connection with the electoral results.

It has also been learned that reporters and other employees of Chihuahua's newspapers and radio and television services, and even those of the national television services Imevision and Televisa, are working under death threats issued by PAN members. Incited by Barrio, the PAN members storm the media employees' homes or work sites to threaten and insult them.

Meanwhile, in Ciudad Juarez, PRI member Jaime Bermudez (Guaron) today received from the Municipal Electoral Commission the document confirming that he obtained a majority of the votes.

Municipal Electoral Committee President Lorenzo Gonzalez Lechuga urged the PRI representatives to rule with justice and equity. Bermudez (Guaron) said that his victory is a great responsibility and that, beginning today, he will structure his government program to fulfill the commitments made during the campaign.

In Durango, the Municipal Electoral Committee presented Emilio Gutierrz Valles, PRI candidate to the City Council, with the document confirming that he obtained a majority of the votes. The PRI candidate's victory was announced following a permanent session begun yesterday by the Municipal Electoral Committee. Gutierrez Valles reportedly won by more than 2,000 votes. In Durango, the PRI won all of the state's 38 city councils.

This morning, a group of PAN members illegally seized the offices of Durango's municipal presidency.

Durango Palace Occupied

PA141913 Madrid EFE in Spanish 1820 GMT 14 Jul 86

[Text] Mexico, Federal District, 14 Jul (EFE) -- Today 1,000 militants of the Mexican opposition party, the PAN, occupied the municipal palace of the Mexican city of Durango to protest an alleged electoral fraud perpetrated in order to favor the ruling party, PRI.

The occupation of the municipal palace was headed by Rodolfo Elizondo, the conservative PAN candidate to the governorship of Durango, by Salvador Salun, the mayoral candidate, and by Federal Deputy Joel Rosas Torres, who demanded "respect for the vote" of the people of Durango.

The "PAN members" arrived at the municipal palace at 0020 and planted their party's flag, saying that they will not leave the place "until the official results are annulled and the victory of Salun is recognized."

The government has not made any statements regarding the measures it will take in regard to the occupation of the Durango municipal palace. The Electoral Commission reported that the results of the elections will be released on 20 July, as established by law.

Durango is a state located in the country's central region. Presently the PAN holds the mayorship of the state capital city, and it asserts that some of its candidates will be deprived of their victory. However, the PAN has not presented any proof of the alleged fraud it is denouncing.

Further Chihuahua Results

FL141147 Mexico City NOTIMEX in Spanish 0310 GMT 14 Jul 86

[Excerpt] Chihuahua, Mexico, 13 Jul (NOTIMEX) -- The ruling PRI has won 10 municipalities so far in the northern State of Chihuahua, according to preliminary results of the elections for governor, deputies, and municipal presidents, which were held last Sunday. The opposition PAN, Popular Socialist Party (PPS), and the United Socialist Party of Mexico (PSUM) have won in only one municipality.

The president of the State Electoral Commission, Gilberto Baca Beltran, said that out of the 67 municipalities in the state, the results in 12 of them have been announced. Of this, the PRI won in Delicias, Belisario Dominguez, Aquiles Serdan, San Francisco del Oro, Ciudad Camargo, Matamoros, Bachiniva, Riva Palacio, Cuauhtemoc, and Casas Grandes.

The opposition PPS, PSUM, and PAN won in the municipalities of Gomez Farias and Nuevo Casas Grandes. [passage omitted]

Campeche State Results

FL141237 Mexico City NOTIMEX in Spanish 0544 GMT 14 Jul 86

[Text] Campeche, Mexico, 13 Jul (NOTIMEX) -- The ruling PRI has won the 6 July elections for local deputies with 96 percent of the vote, the Campeche State's Electoral Commission has announced. The president of the commission, Fernando Loyo Moscoso, reported that out of the 135,000 ballots cast, a total of 130,000 citizens voted for the PRI. He said that none of the opposition parties -- the PAN, the PPS, PSUM, the Authentic Party of the Mexican Revolution (PARM), and the Workers' Socialist Party (PST) -- won a seat. He explained that those parties' candidates did not win seats because of a reform law of political organizations and the state's electoral processes which increased from 1.5 to 5 percent of cast ballots, a requirement to have access to the local congress, He added that the PAN and PST had lost the seat of proportional representation that they held in the 51st Legislature. Loyo Moscoso said the PAN, PST, and PSUM had claimed there was electoral fraud, but to the moment they have not submitted overwhelming proof to support their argument.

PRI Wins in Zacatecas

PA141531 Mexico City XEW Television Network in Spanish 1345 GMT 14 Jul 86

[Excerpt] The official results of the elections were issued in Zacatecas yesterday. The State Electoral Commission said that the victory of the PRI was very clear. In the 13 districts, the PRI obtained 333,624 votes while the PAN obtained 12,349, and the PSUM obtained 7,222. It was reported that there were no incidents during the vote counting, which began at 0900 and ended at 1900. Juan Antonio Castaneda Ruiz, chairman of the Zacatecas Electoral Commission, presented the documents accrediting the 13 PRI candidates as the winners in the race for deputies. [passage omitted]

Michoacan Results

PA141528 Mexico City XEW Television Network in Spanish 1342 GMT 14 Jul 86

[Relay report by Francisco Castellanos from Michoacan -- all figures as heard]

[Text] During the first few minutes of the "Today" newscast, the State Electoral Committee released the official results of the 8 July gubernatorial elections in Michoacan.

The PRI absolutely swept away the opposition parties. According to reports by (Ramon Anguiano), technical secretary of the State Electoral Committee, the PRI obtained a total of 367,306 votes, whereas the nearest competitor, the PAN, obtained 35,021 votes. The PDM, Mexican Democratic Party, obtained 11,825 votes. The PST obtained 3,398 votes; the PSUM obtained 2,275 votes; the PMT obtained 817 votes, and the CPM, Mexican Communist Party obtained 25 votes. This adds up to a total of 443,705 votes counted in 13 of the 18 electoral districts of Michoacan. Only 4,127 votes were invalidated.

It was also reported that this result concerns the gubernatorial race, whereas the results of the elections for deputies will be released today at noon.

Tijuana Results

FL141255 Mexico City NOTIMEX in Spanish 0601 GMT 14 Jul 86

[Excerpt] Tijuana, Mexico, 13 Jul (NOTIMEX) -- While the ruling PRI won in six electoral districts of this northern border city of Tijuana, the opposition PAN claimed victory in the race for the mayoralty of Ensenada and the deputation of that municipality's 14th District.

The president of Tijuana City's municipal Electoral Commission, Salvador Gomez Avila, announced that the PRI candidates had received the certificates accrediting them as elected deputies for the 12th legislature of the State of Baja California.

The PRI obtained 78,845 votes and the PAN 31,991 votes for the new local congress in Tijuana's six districts. The PST placed third as an electoral power. [passage omitted]

BRIEFS

OAXACA OFFICIALS ARRESTED -- Oaxaca, 27 Jun -- A well-organized drug trafficking band has been discovered after the arrest of one agent of the prosecutor's office, one delegate of the National Security Directorate [DSN], and two members of the Federal Judicial Police [PJF] this week. Unofficial sources have reported that Mexican Interpol agents arrested DSN delegate Honorio Hernandez Escancon, Tuxtenec's PJF Commander Aurelio Garcia Raudales, and PJF members Jose Guadalupe Rangel and Moises Martinez. The drug trafficking band, headed by police officials, received the drugs at local airports in Ciudad Aleman and Loma Bonita and took them to Nuevo Laredo, Tamaulipas, in fuel trucks with false bottoms that were escorted by federal agents. [Summary] [Mexico City EXCELSIOR in Spanish 28 Jun 86 pp 1, 3 PA]

OIL PRICES FOR JAPAN -- PEMEX has established new prices for the oil it sells to Japan. Isthmus crude will be sold at $10.65 per barrel and Maya, or heavy crude, at $7.40. As established in the sale agreement, Mexico set its oil prices for Japan on a monthly basis. [Summary] [Mexico City Red Nacional 13 Imevision Television in Spanish 0300 GMT 10 Jul 86 PA]

DEPAT COMMUNIQUE ON PCC DIRECTORS MEETING

PA111734 Panama City LA ESTRELLA DE PANAMA 11 Jul 86 pp 1, A 14

[Text] The Panama Treaty Affairs Executive Directorate (DEPAT) has issued a press communique reiterating Panama's intention of gradually assuming the administration of the Canal. The communique states the following:

Press Communique

At the conclusion of the Panama Canal Commission [PCC] Board of Directors meeting held on 9 and 10 July, the Panamanians on that board and DEPAT report to the people the following:

1. Based on a proposal from the Panamanians on the Board of Directors and for the purpose of guaranteeing that the Republic of Panama will gradually assume greater responsibilities in the administration of the Canal, the board approved the appointment of a Canal Commission group that, in coordination with representatives of the Panamanian Government, will prepare a study aimed at the establishment of an effective program to increase the number of Panamanians who hold executive and management positions in the Panama Canal Commission. It was also decided that at the forthcoming October meeting of the Board of Directors, the board will receive a report from this study group.

2. For the purpose of Panama receiving 10 million balboas from the revenue surplus based on Paragraph 4 (C) of Article 13 of the Panama Canal Treaty, the Panamanians on the Board of Directors firmly spoke about the need for adjusting expenditures to the budgetary allotments for the year 1986, thus avoiding a reduction of the commission's profits and making valid Panama's right to receive total payment of such surplus revenue.

The Board of Directors established that it will spend only budgeted expenditures, which means that the surplus revenue produced during the fiscal year that ends on 20 September 1986 will not be diminished.

The Panamanian members of the Board of Directors reiterated to the board Panama's claim regarding the debt that the U.S. Government must pay to the Republic of Panama, which amounts to 54 million balboas, resulting from surplus revenue not paid to Panama during the 6 years that the Canal Treaties have been in effect and that should have been paid based on these treaties. The Panamanian Government will insist on this through diplomatic channels to the U.S. Government so that there is compliance with Panama's legitimate rights based on what is established in the Panama Canal Treaty.

3. Regarding the study of the Culebra Cut expansion project, the Board of Directors instructed the canal administration to have a financial analysis on this finished by the end of 1986, thus bringing to a conclusion the steps necessary for adopting a final decision on this project. It is suitable to point out that this project is of vital importance for maintaining the Canal's efficiency and competitiveness.

4. The Panama Canal Commission Board of Directors studied and approved the budget for the 1988 fiscal year in spite of protests from the Panamanian members of the board who reaffirmed their position opposed to the inclusion in the budget of expenditures to which Panama has been objecting continuously. Such expenditures allotments represent a violation of the treaties since they do not form part of the Canal operational, functional, or maintenance expenditures.

5. The Panamanian members of the Board of Directors, acting in line with the letter and spirit of the Canal Treaties, made evident at the meeting of the Panama Canal Commission Board of Directors the Panamanian people's aspiration to have Law 96-70 modified. This law prevents an orderly and harmonious implementation of the Torrijos-Carter Treaty. This aspiration is in line with the unflinching decision of Panama, which expects to receive at the beginning of the next century a Canal that meets the requirements of modern international maritime commerce.

MATUTINO VIEWS RESULTS OF CANAL BOARD MEETING

PA111727 Panama City MATUTINO in Spanish 11 Jul 86 p 4 A

["At the Moment" column: "Regarding the Canal Commission Meeting"]

[Text] The conclusions reached by the Canal Commission in its latest meetings were varied, interesting, and very significant, beginning with the creation of a commission to study and recommend an effective program to implement a truly functional program to increase the number of Panamanians in executive and management positions in the Canal Commission.

The decision had been awaited with great expectation by the Panamanian public, because it is obvious that Panamanian personnel should be given priority in those positions that apparently are being given, almost exclusively, to North Americans -- something that in no way follows the letter and much less the spirit of the Torrijos-Carter Treaties.

It was also interesting to see the firm position of the Panamanian members regarding statements that the commission's expenditures must be in line with this year's budget allocations, something that will prevent a significant decrease in the commission's profits. In turn, this will increase the net profits that Panama is demanding it has an unquestionable right to receive. With the Board of Directors' approval, the surplus will not be touched. This will logically be beneficial to Panama.

Another position that is worthy of attention and support is the one that the Panamanian directors upheld with regard to again requesting that the U.S. Government pay our government the $54 million it owes it from the nonpayment of the surplus during the first 6 years the Torrijos-Carter Treaties have been in force. Our government's determination to firmly and insistently demand payment of that debt through diplomatic channels is also worthy of support.

By setting the end of this year as the deadline for presenting the financial study on widening the Culebra Cut, the commission's work is becoming more dynamic, anad in this way decisions will be made on the projects that seek to maintain the efficiency and competitiveness of the Canal.

The U.S. members' attitude in approving the inclusion in the 1988 fiscal year budget of allocation that Panama constantly opposes is very significant. This is one more of many U.S. violations of the treaties, which on some occasions seem to have become a dead letter for those who unilaterally interpret and implement those agreements.

However, we believe that the point which has had the greatest impact on the meeting is the fact that the U.S. members of the Board of Directors judged that the auditing of the Canal expenditures is unacceptable, while at the same time the North Americans have been trying to obtain the establishment of laws that will permit them to stick their noses into Panama's banking activities.

ABADIA ON DEMAND FOR PAYMENT OF CANAL SURPLUS

PA131834 Panama City Televisora Nacional in Spanish 1730 GMT 12 Jul 86

[Text] Foreign Minister Jorge Abadia Arias has said that Panama will demand that Washington pay it the surplus money from the Panama Canal operations.

[Begin recording] This is merely the reiteration of an old Panamanian position regarding the claim of what is owed us. For some time we have been attending to this matter through diplomatic channels. I was working on this even before I took over the Foreign Ministry. We will go deeply, seriously, and hierarchically into this claim, through the diplomatic channels, because we think that the Panamanian demand is just and reasonable and that it should be met by the U.S. Government. [end recording]

STUDENTS STAGE DEMONSTRATIONS ON CENTRAL AVENUE

PA141817 Panama City Circuito RPC Television Network in Spanish 1738 GMT 14 Jul 86

[Broadcast in progress]

[Excerpts] ...to protest the closing of the Melchor Lasso de la Vega Arts and Crafts School by the Education Ministry. The National Institute secondary school students also protested the arrest of Miguel Antonio Bernal, a law school professor of the University of Panama. The students' action blocked normal traffic on Central Avenue for a few minutes. The stores on this important avenue of the city were forced to close their doors to prevent nonstudent groups from taking advantage of this situation. [passage omitted]

Education Minister Manuel Solis Palma said that he will not close the National institute. However, he will expel the students who staged today's vandalism.

[Begin Solis Palma recording] The initial plan was to close the school, but as the great majority of the students condemned those who went to the streets, we decided to keep the school open, especially because it is celebrating the golden anniversary of the 1936 class.

The attitude of those who went into the streets goes beyond the usual student protests. The action of open aggression against the Defense Forces and individuals cannot be permitted. I have spoken with the school director so that direct measures will be taken against those responsible. Those measures should range from temporary to total expulsion for the rest of the year. A student expelled in these circumstances cannot enroll in another school at least for this year, and in accordance with the gravity of his action perhaps not for several years. I received reports today about the situation that took place on Friday at the Arts and Crafts school. I think the decision to suspend classes today and tomorrow is good, and we will uphold this decision until we study the situation to decide what we will do with this school. Nevertheless, the discontent there does not appear to be serious so we hope that classes will be resumed there without any problem on Wednesday. [end recording]

COLUMNIST SAYS CHURCH SIDING WITH OPPOSITION

PA141551 Panama City LA REPUBLICA DOMINICAL in Spanish 13 Jul 86 p 4a

[Secundino Torres Gudino column: "The Archbishop's Unjustified Fears" -- uppercase passages published in boldface]

[Text] The constant agreement between statements by the church hierarchy and the campaigns or activities of the opposition have been reported on several occasions. These statements promote and endorse such protests and movements.

There are many cases where there have been disagreements between the groups that support the government and those of the opposition. However, the church has reinforced the actions of the latter. The hierarchy has shown complete PARTIALITY in the case of the guerrilla-doctor. In addition, it has been noted that the church has exhibited a remarkable leaning toward the slogans that are promoted by the groups or sectors that support the lies and insults against top officials of the government and the public force, particularly against Commander Noriega.

It is obvious that now, as a result of the accusations against opposition reporters and radio commentators for crimes against the honor of others, THE HIERARCHY IS POINTING OUT THAT THE CITIZENS ARE AFRAID OF THE ADMINISTRATION OF JUSTICE AND STATES THAT THE ARREST OF JOURNALISTS MAKES ONE THINK TWICE BEFORE STEPPING TWICE INTO AN OFFICE. (Front page of LA PRENSA, Saturday, 12 July 1986) These remarks clearly show that the church is on the side of the opposition.

However, nothing new has been said. A group of intellectuals has promoted changes in the administration of justice for more than a decade, and a strong movement that favors the regulation of preventive arrest, which has been affected by Article 22 of the Constitution, has been under way since 1983.

But the church's participation in this drive has been negligible. The lawyers and the university which share the church's views have not expressed their opinion on this matter. However, the discussion of the Judicial Code, which is aimed at putting an end to hasty arrests, never obtained the church's contribution. But now this issue is a top priority problem. It is a problem that has made constant victims out of common and humble men. It is a problem that certain responsible intellectuals who defend human rights have reported many times and have promoted the adoption of measures and rules that are more in line with the personal liberty of individuals but within the framework of the laws that regulate the penal process.

The fears announced by the church hierarchy are unjustified. This matter involves the implementation of procedural rules that date back to 1917. According to the rules of the new Judicial Code, the liberty of the accused, following his interrogation will be treated differently because this code also regulates bail in a different manner.

COSTA RICA

OFFICIALS COMMENT ON CAMPAIGN AGAINST DRUGS

PA142239 Paris AFP in Spanish 1552 GMT 13 Jul 86

[By Isabel Ovares]

[Excerpts] San Jose, 13 Jul (AFP) -- The flourishing million-dollar drug trafficking business has turned defenseless and impoverished Costa Rica into one of the main bridges to transport cocaine from South America to the United States.

Government Minister Guido Fernandez told AFP that one-fifth of the drugs consumed annually in the U.S. market -- equivalent to $500 million -- passes through Costa Rican territory. Fernandez admitted the seriousness of the problem and announced the implementation of a number of measures to control the drug traffickers, who are taking advantage of the country's vulnerability in the security area.

Fernandez said: As a first measure, the unrestricted issuance of visas to citizens of various South American countries where well-known international bands of drug traffickers operate has been suspended. "Now all those visas require previous consultations, so as to have better control," he said. Minister Fernandez stressed that the Costa Rican Government has intensified its actions against drug trafficking, within its capabilities. [passage omitted]

Meanwhile, Attorney General Fernando Cruz said that the drug trafficking situation in Costa Rica "has deteriorated" recently due to the tight controls exerted in other countries as opposed to Costa Rica's vulnerability. Cruz said that the fact that the country does not have an army, that it maintains a policy of open borders, and that there are slack security measures at the airports favors the drug trade.

Cruz added that "the drug business is highly profitable in an underground or clandestine economy." In this regard, Cruz stressed that Costa Rica's liberal policy, together with scant police and fiscal controls in the country, also encourages drug trafficking. Cruz pointed out that exports are often promoted without much control, and this allows the establishment of businesses that are not only involved in the laundering of dollars -- an activity in which Costa Rica ranks third in Latin America -- but also in drug trafficking. [passage omitted]

Finally, Cruz and Fernandez acknowledged the possibility that Costa Rica is not only being used as a bridge for international drug trafficking, but also as a base for processing the drug and transporting the final product from here to consumers in the big U.S. market.

EL SALVADOR

PHILIP HABIB CONFERS WITH PRESIDENT DUARTE

PA122243 Panama City ACAN in Spanish 0210 GMT 12 Jul 86

[Excerpt] San Salvador, 11 Jul (ACAN-EFE) -- Today Philip Habib, U.S. special envoy for Central America, met in absolute secrecy with President Jose Napoleon Duarte and military authorities.

Habib's visit to this country was kept absolutely secret from the press. An unidentified U.S. Embassy spokesman in El Salvador said: "Habib was here and has departed for Guatemala. However, I cannot say anything because I did not attend the talks." So far President Duarte has not reported on the subjects discussed with the White House's special envoy for Central America. Philip Habib is touring the Central American countries to learn about the status of the peace efforts of the Contadora Group) Mexico, Colombia, Venezuela and Panama). [passage omitted]

VENCEREMOS REPLIES TO DUARTE'S GOTERA SPEECH

PA131824 (Clandestine) Radio Venceremos in Spanish to El Salvador 1400 GMT 13 Jul 86

[Excerpts] In previous casts and in the initial portion of this cast, we broadcast the politicial proposal issued by the FDR-FMLN and read by Commander Joaquin Villalobos. This proposal set forth the FDR-FMLN's views on and desire for a political solution to the conflict. No more words are necessary to prove the seriousness and responsibility of our front's proposals. It is sufficient to listen to any local or international report, including those broadcast over the U.S. state radio, to evaluate the prominence our political offer has received and the seriousness with which it has been treated.

This proposal created great expectations in all sectors of Salvadoran society. The expectation focused on how Napoleon Duarte would react to our proposal. Duarte created a climate of expectation in connection with his visit to San Francisco Gotera and the speech he would make there. Everyone waited for Duarte's response with intense interest. Radio Venceremos will now rebroadcast excerpts of the speech that Napoleon Duarte made in San Francisco Gotera on 12 July. [passage omitted]

The speech/charity show that Napoleon Duarte gave in San Francisco Gotera on Saturday is an extrordinary example of irrationality, despair, and demagoguery. It went beyond the worst expectations. All of El Salvador was waiting for an answer, a proposal, a responsible response to the FDR-FMLN political proposal. Instead, Duarte removed his mask and delivered an irrational address, heavy with shouting and words without meaning, which exposed the deep scars that the confrontation with the policies and accomplishments of the organized people, who wage war to attain peace with dignity in El Salvador, have left on Duarte. [passage omitted]

All of the people listened to Napoleon Duarte. However, they did not hear any reasons, proposals, or response to the people's demands for dialogue, peace and justice. They also did not hear a response to the FDR-FMLN proposal.

What will Rey Prendes, [Deputy Communications Minister] Viera, Msgr Rosas Chavez say about Duarte's propaganda show now that his views on the dialogue are clear? Will the third dialogue meeting be a propaganda show during which Duarte will do all the yelling and no one else will speak? Will the meeting simply be a framework for Duarte's madness, for his demagogic words without meaning? Where are his proposals? Where is his plan? Are the six sewing machines [Duarte gave away in San Francisco Gotera] his response to the half-million refugees, a working class that is desperate, strangled by the packaged swindle? Where is Napoleon Duarte's program for the mothers of the soldiers recruited by force and killed in combat? We urge them to listen closely to Napoleon Duarte's speech, to think about its hysterical quality, about Duarte's despair and isolation. He is the chief of the Army in which soldiers are risking their lives. What plans will you soldiers die for?

To conclude, and we already said this, our supporters and fighters can find in Napoleon Duarte, his madness and irrationality, a clear reflection of the current situation of the enemy and of the results of the sacrifice, discipline, and ingenuity of our fighters. The action of our guerrilla units, regular battalions, militias, and clandestine guerrillas have driven Napoleon Duarte totally crazy.

We ratify our political proposal. We reaffirm our willingness to enter into a dialogue. We have proposed the date and place. We believe the dialogue must take place face-to-face with all the Salvadoran people. However, Duarte's madness speaks for itself.

GUATEMALA

HABIB ARRIVES, MEETS WITH FOREIGN MINISTER

PA131755 Panama City ACAN in Spanish 1950 GMT 12 Jul 86

[Excerpts] Guatemala City, 12 Jul (ACAN-EFE) -- The White House special envoy to Central America, Philip Habib, was not received today by Guatemalan President Vinicio Cerezo. Philip Habib arrived this morning in Guatemala, the last stop of his fifth "fact-finding" tour through this area, the U.S. Embassy confirmed here to ACAN-EFE.

The U.S. Government's special envoy arrived aboard a private plane at the Guatemalan Air Force [FAG] airport south of Guatemala City, where he was received by U.S. Ambassador Alberto Martinez Peidra. Habib, who avoided all contact with the press, went directly to the presidential house, where he met with Foreign Minister Mario Quinonez Amezquita. President Vinicio Cerezo excused himself from receiving Reagan's special envoy "due to inescapable commitments," the presidential public relations secretary confirmed.

The topics discussed by the Guatemalan foreign minister and Habib remained absolutely secret, although one presidential source -- who requested that his name be withheld -- said that the United States is interested in the Guatemalan stand concerning the regional conflict." [quotation marks as received] He added: "Undoubtedly, they discussed the signing of the Contadora peace document and the recently approved economic assistance from the United States for the anti-Sandinists." The Foreign Ministry announced that "for the time being, there is no other information concerning the purpose of Mr Habib's visit, because he left in the same sudden manner that he arrived."

Guatemal has defined its policy of "active neutrality in the Central American conflict" and Foreign Minister Quinonez Amezquita reiterated: "We are willing to give our wholehearted support to the efforts of the peacemaking group." The Guatemalan foreign minister stated that the group formed by Mexico, Panama, Venezuela, and Colombia "is the only means for achieving peace in Central America."

Habib is making his fifth "fact-finding" tour through the area -- excluding Nicaragua -- in order to learn how the goverments in the area feel about signing this document. [passage omitted] Former Guatemalan ambassador to Mexico, journalist Jorge Palmieri, said today that Habib's visit "has been announced by stereophonic trumpets and drums that we hope are not announcing war." Palmieri feels that the tour of Reagan's special envoy is "to tell the rulers of these small and underdeveloped nations what Uncle Sam would like us to do."

He described Habib as "a man of few words and fewer smiles." Because "of his Lebanese ancestry, Habib will not waste much time with protocol and beating around the bush." The U.S. Embassy has confirmed that Habib will leave today for the United States, after having visited Costa Rica, El Salvador, Honduras, and Guatemala.

CEREZO DISCUSSES BENEFITS OF TRIP TO MEXICO

PA100137 Guatemala City Trecevision in Spanish 0300 GMT 9 Jul 86

[Speech to the nation by President Marco Vinicio Cerezo Arevalo in Guatemala City on 8 July -- recorded]

[Excerpts] As usual, I am going to explain my work activities for the benefit of the Guatemalan people. You know that I visited Mexico recently. On this occasion I am going to speak about my activities in Mexico and the results of this visit, and I also decided to talk to you about the trips abroad which have been mentioned recently by certain journalists and political parties. They have been discussing the advisability or inadvisability of these trips. I want to tell you that, as usual, I will be telling you the truth. As you may recall, during my election campaign I promised that no matter what we were doing or what was happening, whether good or bad, the important thing was that I would always tell you the truth.

On this occasion I must tell you the results of the trip to Mexico, just as those of most trips I have made abroad, were truly positive. We accomplished two things, basically. First, we extolled Guatemala's name. Our country and nation has been in a very difficult situation during its era of isolation and because of the unpopularity of the previous governments. Guatemala is now beginning to recover the fame and prestige it deserves as a nation that historically and politically is important in the region and in many parts of the world.

The reason we make these trips is to claim a leadership that belongs to our country and retake a position that belongs to our nation so that we can contribute to the peace of all nations and the development and progress of our own for the benefit of the Guatemalan people. However, the purpose of these trips is not only to gain prestige. Their purpose is not to make the Guatemalan president famous or make him popular in other nations, but to establish good relations with other countries and reach trade and cultural agreements through the president's friendship and good relations in order to benefit the Guatemalan people directly. [passage omitted]

Certain people are criticizing my trips abroad. As usual, some say that Guatemalans pay attention to only small things instead of big things, and as was said in the past: They lose the right perspective. Imagine, we have been criticized for spending money on our trips abroad [words indistinct] but traveling incurs expenses; on fuel for the plane or tickets for the public officials and their per diem. However, in most cases the countries we visited paid for most of our expenses. They paid for lodging, food, and entertainment. We paid only for the transportation.

For all the trips made by the president, the vice president, and the public officials we have probably not reached the $100,000 figure. However, do you know how many millions of dollars we have obtained during these trips? We have made no more than seven trips. Sometimes the president attended inaugurations, and at other times he went to make direct contacts with the countries involved, as in the cases of Venezuela, Costa Rica, and Mexico. My friends, we have obtained at least $185 million which will be invested for the benefit of the Guatemalans.

When we assumed office, we did not receive a penny in dollars. As you may remember the price of the dollar was going up and the quetzal had been devalued. [passage omitted] However, now we can say that we have the dollars we need for the things we truly need, and for a short time we will have the dollars to go on trips, purchase tickets, or go to Mexico or any country we want because we will be able to buy the dollars in the banks of the system [not further identified] or the Bank of Guatemala, as was done during the good times. [passage omitted]

Of this $185 million, $30 million is a gift to Guatemala, and it will be used to purchase products, medicine, and agricultural supplies that we need to lower the cost of living. But it is important to point out that you have a government that wants to work for the Guatemalan people. We did not go abroad for fun. The Mexican president very kindly asked me to stay and take a trip to Cancun or Acapulco at the invitation of the Mexican Government. But we turned him down because we know that our responsibility lies with the Guatemalan people. If we want to rest we can go anywhere in Guatemala. The important thing is to go out and work for the Guatemalan people.

It is not a matter of getting things through miracles. It is not a matter of instilling in Guatemalans an attitude of waiting for manna to fall from heaven. If we want to live well and have a society in which we can live peacefully, and if we want to create jobs, build access roads and health facilities, we must work to produce them, because all that costs money, and the Guatemalans' money was snatched away by bad Guatemalans in the past. They took that money for their own benefit, going against the Guatemalan people's interests and welfare.

With this trip to Mexico, we took a step forward in two aspects which are fundamental: the reconstruction of Guatemala and its international prestige, but basically it was a step forward to show that the government always tells the truth.

If you want to know what the government is doing, ask the leaders, because if you begin reading things, negative headlines, statements by the other political parties, you will find lies and speculations that are simply aimed to instill a negative attitude in you. It is an attitude against Guatemala, the work we are doing, and the government of the Republic. But be aware that you have not fallen into a trap. You did not fall into that trap during the electoral campaign, and you will not fall into it now.

But the most important thing is that we are promoting a positive attitude in regard to the future. We are creating the awareness that Guatemalans can solve their own problems by finding money here and there and obtaining support in good relations and trade. [passage with indistinct portions omitted]

Regarding the Usumacinta [River], we are going to publish the statement which we signed with the Mexican president because we would rather publish the text so that what we agreed with the Mexicans can be openly seen. Regarding the Usumacinta, I feel that what we decided is the right thing: to draft a study to see how we can use the waters of that river because half of it belongs to the Mexicans and the other half belongs to the Guatemalans without [word indistinct] or hurting the Guatemalans.

Regarding the oil; we went there to discuss two very important matters: that they continue to sell oil to us at low prices, and that they give us technical assistance and advice to better exploit Guatemalan oil, because otherwise our oil will remain under the ground while the Mexicans continue to exploit theirs.

Regarding trade, naturally what we tried to do was to open Mexico's doors to Guatemalan products. Naturally, we vowed to purchase Mexican products as long as they are cheaper, of better quality, and are sold under better conditions than those given to us by other countries in the world. [words indistinct] good commercial relation.

But there are other important things; we reached a good cultural agreement. You know that the Maya ruins have been abandoned for many years, that we do not have good airports, and that these ruins are not clean and have been damaged by those who have been stealing Maya treasures for so long. The Mexicans have agreed to return certain Maya [words indistinct] that were stolen many years ago.

They are worth millions of dollars, but their cultural value is even higher. Their value is incalculable. We have already brought them to Guatemala. We also signed an agreement so that the tourists who visit Mexico can also come to Guatemala and see all that we have. [passage omitted]

You can feel proud that you have a president who is not ashamed of meeting with anyone, with any president of any ideology to discuss benefits for the Guatemalans because we know that we are right and we know how we can work for the benefit of Guatemala's prestige. [passage omitted]

We still have problems. We still have problems, especially regarding prices and violence. Regarding prices, I told you that it will take us this year to stabilize prices. Probably in the future, if we increase production, we can improve prices and force them to drop. Regarding violence, there are groups that are interested in sowing a feeling of insecurity.

Those alarmists who are always trying to make more noise than necessary are saying that violence has increased far too much. It is true there is violence, but we are going to control it through the new security programs.

However, it is very important that you realize that every step we take is a positive step. It is a step toward the rebuilding of our nation and you must help rebuild this house in which we all wish to live in peace. We are not offering miracles. We are asking for another step, another brick. We are working to widen the path. We must work together and perform this great task which is aimed at achieving the perfect coexistence among Guatemalans and complete democracy. A democracy of peace that may bring social development and welfare for all. Slowly my friends, but firmly, showing our good will toward the Guatemalan people.

When someone comes up to you and tells you that the president is traveling a bit too much and that he is spending too much money on these trips, you just answer: Can you spend $100,000 and get $185 million? Of the $185 million, $30 million was a gift, and we may be getting much more. This $185 million is going to be spent on the Guatemalan people, for development, work, and to improve our standard of living.

As I was saying, we are working to rebuild the house we are going back to. Therefore, with your trust and patience, as well as with the work being done by the president and his government, we will all move forward.

NICARAGUA

CHURCH ASKS RECONSIDERATION OF VEGA EXPULSION

PA150440 Paris AFP in Spanish 0351 GMT 15 Jul 86

[Text] Managua, 14 Jul (AFP) -- The Nicaraguan Catholic Church has asked the government to permit the return to the country of Msgr Pablo Antonio Vega, vice president of the Nicaraguan Episcopal conference, who was expelled to Honduras on 4 July. In a letter made public here today, the Episcopal Conference termed as "unjust" and as "violating freedom of religion" Vega's expulsion and the ban on the entry in the country of Msgr Bismarck Carballo, spokesman of the Managua Archbishopric, who took asylum in Miami.

These measures were adopted by the government after Vega and Carballo launched fierce attacks against the government and when Bishop Vega termed the war of the counterrevolution legitimate and justified a possible invasion of U.S. troops in Nicaragua.

In response to the letter, Rene Nunez, Presidency minister, stated in a letter that Vega's expulsion was decided upon in view of "the personal attitude and illegal actions assumed" by the priest and rejected the notion that "the application of the law violated freedom of religion or is a lack of respect for the people's faith." "We believe that the actions of support for the policy of aggression suffered by the devout people of Nicaragua not only violate the laws of the Republic but also constitute a lack of respect for the faith of that very same people," Nunez added.

Meanwhile, the government urged the Catholic leaders to promote "a real and productive (state-church) dialogue that will contribute to easing the difficulties experienced in our country."

COMPENSATION TO BE SOUGHT FROM U.S. AT GATT

PA150121 Managua Radio Sandino in Spanish 0000 GMT 15 Jul 86

[Text] Nicaragua will demand compensation for the damages inflicted by the economic embargo that is being carried out by the United States at the GATT forum that will re-open tomorrow in Geneva, Switzerland. Foreign Trade Minister Alejandro Martinez Cuenca said that Nicaragua's demands have been bolstered by the International Court of Justice [ICJ] ruling at The Hague, which proves that Nicaragua does not represent a danger for the powerful United States.

[Begin Cuenca recording] The illegal measures and violations which have been committed by the United States concerning the GATT agreements...[changes thought] The ICJ's ruling at The Hague strengthens our case because, first of all, it rejects the main argument which has been by the U.S. Government to impose these sanctions against Nicaragua. The U.S. Government has argued that it imposed these sanctions...[changes thought] It has first mentioned GATT's Article No 21, which states that any country may adopt whatever measures it meeds convenient for security reasons.

However, the ICJ's ruling at The Hague has stated quite clearly that security is not involved, so the U.S. Government cannot use this as an excuse to impose actions like theones it has imposed on us. Nicaragua has presented two documents so far. [end recording]

UK ENVOY EXPRESSES SUPPORT FOR ICJ RULINGS

PA150323 Managua International Service in Spanish 0035 GMT 15 Jul 86

[Excerpt] The Chinese, British, and Brazilian ambassadors presented their credentials to President Commander Daniel Ortega Saavedra and Foreign Minister Miguel D'Escoto Brockman in Managua on Monday.

After the usual ceremony, Yu Cheng Gang, the first PRC ambassador to this Central American country, said this:

[Begin Yu recording] Through you, I want to greet the Nicaraguan people and government leaders. I feel the establishment of diplomatic relations between the PRC and Nicaragua will give new impetus to the development of the friendly and cooperative relations between the PRC and Nicaragua. As the first PRC ambassador I will always have the best disposition to foster the development of our relations. I feel there is a good outlook for trade between PRC and Nicaragua. All the details could be discussed [words indistinct]. I think the Central American situation is an important part of the international situation. What is most important is that all parties involved must respect the nonintervention principles. In other words, the Central American people should be allowed to determine their own destinies, to resolve all problems through peaceful negotiations based on equality. [end recording]

British Ambassador Michael Francis Daly said that his government backs the The Hague International Court of Justice's ruling in favor of Nicaragua.

[Begin recording] [Daly] It is a pleasure for me to be in Nicaragua for the first time and present my credentials to your president. As you know, my country [words indistinct] Central America is of great interest to my government and to the EEC. Let us hope that it will be possible for your government and others, within the Contadora process, to agree on a treaty that will ensure peace, security, and prosperity for all the states of the region.

[Reporter] Are there any economic cooperation plans by your government?

[Daly] No, but we support some projects by British groups and some organizations such as Oxfam [Oxford Committee for Famine Relief] and the Catholic Institute. There are no economic projects as yet.

[Reporter] What is your government's stance regarding the The Hague ruling?

[Daly] Our stance if very clear. It is a fundamental principle for us to support international law. We have always accepted the The Hague court's jurisdiction, even when this has gone against our interests. [end recording] [passage omitted]

RODRIQUEZ, RISQUET EXPRESS CONDOLENCES TO VIETNAM

FL141546 Havana Radio Reloj Network in Spanish 1402 GMT 14 Jul 86

[Text] Carlos Rafael Rodriguez and Jorge Risquet, members of the party Politburo, were the first persons to sign the book of condolences opened in the Vietnamese Embassy in this capital following the death of the top leader of the brother country. Melba Hernandez, Central Committee member, and personnel of the Embassy of the Lao People's Democratic Republic also went to the Vietnamese Embassy to express their condolences for the death of Le Duan in the book that was opened at 0900 today.

Floral wreaths sent by the first secretary of our party and president of the Councils of State and Ministers, Commander in Chief Fidel Castro, and by Army General Raul Castro have been received at the Vietnamese Embassy, located in Miramar.

In representation of the entire country, the population of the capital will express its condolences for the loss of the secretary general of the Vietnamese Communist Party.

U.S. FOOD AID FUNDS MAY GO TO CONTRAS

PA142243 Havana International Service in Spanish 2300 GMT 10 Jul 86

[Text] U.S. Government officials have admitted that the money allocated to the Nicaraguan counterrevolutionaries will come from funds already approved to provide food aid to poor countries. A Canadian Broadcasting Corporation television network report indicates that the use of funds taken from the Food for Peace program is one of the options being currently studied by the U.S. Government.

NICARAGUAN WOMEN'S GROUP TOURS GUANTANAMO

PA141444 Havana International Service in Spanish 2300 GMT 10 Jul 86

[Text] A Nicaraguan delegation led by Glenda Monterrey Vasquez, secretary general of the Luisa Amanda Espinoza Nicaraguan Women's Organization, is touring points of historical and economic interest in the Cuban Province of Guantanamo. The visitors shared their experiences with leaders of the Federation of Cuban Women and the Communist Party, focusing on the role women play in the struggle against the agression financed by the United States.

POLITBURO MEMBER ANNOUNCES TANA PRESIDENT

FL141954 Havana Radio Reloj Network in Spanish 1800 GMT 14 Jul 86

[Text] Jorge Risquet, member of the Communist Party of Cuba Politburo, has announced that Melba Hernandez, Moncada heroine, has been elected president of the Cuban chapter of the Anti-Imperialist Tribunal of Our America, TANA, because of her revolutionary merits.

During her speech today at the meeting of the Cuban chapter of TANA, held at [CTC] Central Organization of Cuban Trade Unions headquarters in Havana, Melba stressed that his tribunal was created by the opinions and consciences of those in favor of peace and against enemies of peace.

She referred to continuous Yankee aggressions and stressed that those actions do not create fear among our people; on the contrary, they reaffirm the slogans of "Free fatherland or death" ands "Fatherland or death, we will win."

During the TANA session, Jesus Escandel, member of the Executive Secretariat of the CTC National Committee, read the Cuban chapter's program of action which condemns Yankee aggression in our America.

AUSTRIAN PARLIAMENTARY DELEGATION ARRIVES

F1121928 Havana Television Service in Spanish 1700 GMT 12 Jul 86

[Text] A parliamentary delegation from the Republic of Austria has arrived in Havana at the invitation of the National Assembly of th Peoples' Government [ANPP]. Ramon Perez Poro, chief of the ANPP International Relations Department, greeted the visitors. Dr. Christoph Parisini, Austrian ambassador to Cuba, also arrived at the airport to greet the visitors.

The 20-member delegation is headed by engineer Ernest Nedwed' deputy of the Austrian National Council. During their stay in Cuba, the delegation will hold bilateral discussions with their Cuban counterparts on their experiences and will visit centers of economic and social interest, including the Che Guevarra Palace of the Pioneers.

INDIAN NAVY SHIP GODAVARI ARRIVES IN HAVANA

F1121905 Havana Television Service in Spanish 1700 GMT 12 Jul 86

[Excerpt] The frigate Godavari arrived in Havana port today. The Godavari is the first ship of the Indian Navy to visit Cuba. The ship carries antiaircraft and antiship missiles, medium-range cannons, antisubmarines torpedoes, and two helicopters. It was constructed in the industrial city of Bombay, India. The ship is named after one of the most important rivers in the country, the Godavari River, which is located in central India. The ship is 125 meters long and 14 meters wide. It has 33 officers on board and 350 sailors. [passage omitted]

COOPERATION PROTOCOL SIGNED WITH ZIMBABWE

F1120058 Havana Television Service in Spanish 0000 GMT 12 Jul 86

[Text] Zimbabwe and Cuba signed a cooperation protocol today at the end of the first session of the joint Cuban-Zimbabwean commission for economic, scientific, and technical cooperation. The Cuban delegation was headed by Jorge Risquet Valdes, member of the Politburo and Secretariat of the party Central Committee, and Dzingai Mutumbuka, member of the Politburo of the Zimbabwe African National Union-Patriotic Front.

The protocol covers public health, education, agriculture, construction, and other areas. The educational and public health exchange programs will begin immediately.

Minister Departs

FL121943 Havana Television Service in Spanish 1700 GMT 12 Jul 86

[Text] In a dialogue with journalists before his departure from Havana, Education Minister Dzingai Mutumbuka, member of the Politburo of the Zimbabwe African National Union-Patriotic Front, said Africa will not be free while the apartheid regime exists, and because of this the people of Zimbabwe support the struggle against the shameful regime.

Mutumbuka stressed that the African nation and Cuba have signed important economic cooperation agreements, including exchange of technology, agricultural assistance, and professors and specialists from Zimbabwe. The leader said his country's people are preparing to receive Third World leaders at the eighth Nonaligned Movement summit in Harare.

PREPARATIONS FOR OAU, NONALIGNED MEETINGS OUTLINED

PA131743 Havana International Service in Spanish 2300 GMT 12 Jul 86

[By correspondent in Angola Pedro Martinez Pires]

[Text] Angola and other countries of this continent are currently holding intense contacts these days, prior to two important meetings in Africa: the OAU summit and the eighth conference of heads of states and governments of the Nonaligned Movement.

The OAU will begin its meeting on 28 July in Addis Ababa; the Nonaligned Movement meeting will be held at the end of August and the beginning of September in Zimbabwe. The Nonaligned Movement meeting is doubly significant; first, because it will be held in a Frontline State, along the border of the country of apartheid, and second because it will commemorate the 25th anniversary of the Nonaligned Movement, which held its first conference in 1961 in Belgrade.

The OAU and the Nonaligned Movement have on their agenda the current political issue in Africa, namely the existence of the disgraceful system of racial segregation in South Africa, which is also closely linked to the colonial domination of Namibia by Pretoria's racists.

It is expected that the OAU and the Nonaligned Movement will call Pieter Botha and his followers on the carpet, as they have in recent meetings. However, the representatives of apartheid will not be alone. They will be accompanied by those who have proven to the world that they are on the side of Pretoria's racists: the U.S. and British Governments.

Although there are other political issues and other serious economic problems marked by hunger, drought, and the rapid increase of the foreign debt, there is no doubt that in Zimbabwe the main issue will be the crisis in South Africa, the causes of which are daily becoming more clear to all the African countries and the world in general.

Angola is well prepared to participate in these two meetings. Here in Luanda, where the nonaligned ministerial meeting took place in September last year, two preparatory meetings have been held: one by the five Portuguese-speaking African countries, and the other by the six Frontline States, which will meet again in a few days in Harare, capital of Zimbabwe.

Angolan President Jose Eduardo dos Santos has met this year with the heads of state of the Saharan Democratic Arab Republic, the People's Republic of the Congo, Zaire, and with India's prime minister, who is president of the Nonaligned Movement. Dos Santos has also talked to the leaders of South Africa's African National Congress, the South-West African People's Organization of Namibia, and the PLO.

It is obvious that the African countries and the rest of the Third World are preparing not only to renew their solidarity with the countries struggling against apartheid domination, but to make their support more effective and efficient. This is how we see the political situation from Luanda.

COMMENTARY ON U.S. TRYING 'TO SABATOGE' CONTADORA

PA141621 Havana International Service in Spanish 2300 GMT 10 Jul 86

[Commentary by Amado Garcia]

[Text] Costa Rican Foreign Ministry spokesmen have stated that in the next few days the Contadora Group will be given a document drawn up by the Foreign Ministries of Costa Rica, Honduras, El Salvador, and Guatemala which constitutes an alternative to the new Central American peace act.

It has been learned that the document proposes Nicaragua's disarmament, something that is unacceptable to the Sandinist revolution, precisely at a time when the U.S. Government has just approved new funds for the counterrevolutionaries. Along with the $100 million for the former Somozists, the U.S. Congress allocated another $350 million to its allies in Central America with which it buys the complicity of these four countries -- Costa Rica, Honduras, El Salvador, and Guatemala -- in an attempt to deal a mortal blow to Contadora. The announcement of the granting of more financial and logistical aid to the aggressor bands was made just 2 days after the International Court of Justice issued its ruling against the current U.S. Administration for its attacks on Nicaragua. With all these actions, the U.S. Government ignores the calls by many Latin American countries and international organizations for a halt to all the support for the counterrevolutionaries. This is the basic condition for progress in the achievement of a regional peace agreement. Nevertheless, the United States has begun a new campaign to sabotage any agreement.

Philip Habib, President Ronald Reagan's special envoy for Central America, has begun a new tour of the countries of the region to continue to exert pressure on the countries allied with the United States and to achieve the total isolation of Nicaragua, something that would favor a direct military aggression. The alternative of preventing, with their concrete solidarity with Nicrargua, the consummation of this action against an independent and sovereign country is now in the hands of the Latin American countries.

COMMENTARY VIEWS WIDESPREAD U.S. DRUG PROBLEM

PA122358 Havana International Service in Spanish 2300 GMT 9 Jul 86

["Viewpoint" commentary]

[Text] The recent drug-related deaths of several distinguished U.S. professional sportsmen coupled with a report released by the University of Michigan social research institute stating that 30 percent of the university students in that country are addicted to drugs have returned to the front page one of the most acute problems affecting the Western world: the use of hallucinogenic drugs. The United States ranks first in this area.

Uncle Sam has tried to erase its drug addict image in many ways. One of these has been to try to mix drug trafficking with the Latin American guerrilla movements. This is how the terms narcoguerrila and narcoterrorism were born. The so-called major press picked up these terms and today, every time they mention this subject, they use them. However, these cliches have not caught on, for a very simple reason. The biggest number of drug addicts is found in the United States, and drug trafficking in that country makes a truly fabulous profit.

Statistics have shown that in the union [[illegible] union] 50 million smoke marijuana on a regular basis; 20 million use, or have tried, cocaine; and the number of people using LSD, barbiturates, amphetamines, or inhalants, is even greater.

Washington has also tried to blame other governments for the widespread use of drugs in the United States. However, the Yankee authorities seem to forget that this vice depends on a very old market formula: If there is no demand, there is no supply, and as we have already seen, the U.S. demand is huge.

However, more that forgetfulness, the White House's position seems to be one of deceit and concealment, because marijuana worth $110 billion was planted in the United States in 1985. This crop was exceeded only by the corn crop, the country's main agricultural product. As a new comedy, the Yankee President yells his head off criticizing drug cultivation in other nations, while under his own nose and, moreover, on federal land, the leaves of the well known grass bloom with all luxury and attentions.

Evidently, long and serious work will be necessary to resolve this problem. Many proposals have been presented in this regard. Many observers agree that if only 2 percent of the budget for weapons manufacture -- which this year rose to some $300 billion -- were taken from the budget, the United States could buy, without any harm, the food crops that would replace the present cocaine and marijuana plantations in latin America, plantations which are often under control of members of the Yankee Mafia.

For the United States, this decision would mean an invaluable investment in the health of the U.S. people and a contribution to their own development. As a last resort, the analysts have said, it would also be a considerable bureaucratic relief, because there are 30 federal agencies and 9 ministries [as heard] linked to the drug problem in the country which, far from improving, has worsened, with the natural violent consequences.

"OUR AMERICA" VIEWS FOREIGN DEBT SITUATION

PA141944 Havana International Service in Spanish 2300 GMT 10 Jul 86

["Our America" commentary, read by Manolo Ortega]

[Text] To the spiraling increase of the overall debt of the Latin American countries which is close to $400 billion, one must add the interest payment, which amounted to $74 billion last year.

The results of a recent analysis by the IDB show that the payment of the debt service is the main obstacle to the development of the region's countries. According to the regional banking institution allied with Washington, the debt interest will continue to be a heavy burden from which Latin America cannot free itself, even if the nations of the area achieve an annual growth of close to 3 percent of their gross domestic product or increase their exports by 11 percent.

This dramatic prediction becomes even worse when one bears in mind that according to a study made by the ECLA, the region's exports dropped 6 percent in 1985 due to the sharp decline of the prices of its basic products.

This drop in the export prices meant approximately $4 billion worth of losses for the Latin American nations which are suffering from the consequences of the implacable protectionism imposed by the Western industrialized countries.

Recently Latin America has become a net exporter of capital to the industrialized world, even at the cost of shortages of resources which affect its own survival. If they continue on this path, the Latin American nations will be forced to earmark 100 percent of their export revenue for the payment of the interest on the debt, something that is absurd from every viewpoint. The disaster that is looming if no solution is found to the problem has created awareness about the need for latin American unity of action. This awareness has gained strength among the social sectors most affected by the crisis.

This unity of action against the payment of the debt is advocated by workers, housewives, students, and peasants who are subjected to the worst living conditions and who are facing an uncertain future due to the heavy weight of the IMF-style prescriptions that impose brutal programs of adjustments and austerity on the governments of the region. To date, the economic plans implemented by some Latin American nations have served only to obtain new loans to pay for overdue payments. this measure increases the indebtedness and in no way promotes development.

In February the ECLA stated that more than 130 million Latin American are living in poverty, and it predicted that this figure will rise to 170 million by the year 2000 if the development model that prevails in most of the region's countries does not change. At this time of continental upheaval, the unpayable nature of the debt and its interest gains more validity than ever.

RAUL CASTRO PRESIDES OVER MILITARY GRADUATION

FL121852 Havana Television Service in Spanish 1700 GMT 12 Jul 86

[Excerpts] Army General Raul Castro Ruz, second secretary of the Communist Party of Cuba and FAR minister, has presided over the military graduation and promotion ceremony commemorating the 13th anniversary of the assault on the Moncada Barracks. The ceremony was held in the historic Plaza of the revolution and concludes a period of arduous work by a group of young officials educated in theoretic knowledge and necessary requirements to increase command in our units. They represent legitimate pride for the current generation and the decision of youths to dedicate all their strength and energy to the defense of the socialist revolution. [passage omitted]

HAVANA ARCHBISHOP DISCUSSES SITUATION OF CHURCH

PA121931 Madrid EFE in Spanish 0835 GMT 12 Jul 86

[By Ramon Ruiz]

[Text] Caracas, 12 Jul (EFE) -- Little is known about the situation of the church in Cuba due to the fact that there are interests opposed to Christianity, in governments and other institutions, waiting to obtain that information to manipulate it.

This and other remarks were made by Havana Archbishop Jaime Ortega and published in the latest issue of the Venezuelan magazine SIC, winner of the national prize for journalism.

Ortega said that Fidel Castro's revolutionary government has resolved problems basic to the poor, including health and the improvement of living standards and education levels, but warned that praising those accomplishments, asknowledged in documents issued locally, would give cause for two kinds of interpretations. The first, Ortega explained, would be that of those who are pleased with those achievements: "At last we have a just government, and the church attests to that." The second would come from those who oppose the system: "Look at the Cuban church: It has to say that because the government asks it to, and it is the only thing it can say."

The archbishop said that that is why the church has remained silent, and also because Cuba is a country "that has been isolated and blockaded, and we would not want our voice -- aware of the prominence it is given -- to be manipulated."

Ortega pointed out that this discretion in connection with the international community does not mean that the church has failed to act in other ways. "We have attempted to resovle problems through direct and sincere dialogue with the authorities," he said. The Cuban church leader said that the revolution that took place in his country was not simply a change of government, but a revolution that induced radical social change that in turn led to the development of various Christian values, including "feelings of solidarity and cooperation between people."

"The right all men have here," Ortega said, "to have access to education and health, to eliminate racial or class barriers, are points of convergence with what the Gospel preaches."

"As a christian," the archbishop of Havana added, "one has always had the tranquillity that comes from knowing that no child, on one, goes to bed hungry ." Asked about the possible points of convergence between Christianity and Marxism, Ortega said that in Cuba's case it is more appropriate to speak about Christianity and revolution, understanding the latter as a concept that includes social change. "The term Marxist is not used much in Cuba. Our Catholic university students work on the premise that they are Catholics and revolutionaries, because revolution is a term that is a common denominator to all Cubans."

That is also why, he said, when one speaks of dialogue, it takes place "between that reality called socialist revolution and this church, which is part of this nation and thinks on the basis of that same premise." Ortega said he believes that some of the limitations presently affecting the church will soon cease to exist, as the discrimination against Christians did before it. He said he would like Cubans not to be professed atheists, even if Cuban society is organized along secular lines, and that the church's access to the media not be restricted.

Regarding Cuba's situation, which is the object of so many negative interpretations abroad, the Havana archbishop warned that it is tinted by many subtletites and that is ust be approched "very realistically and with much respect." The Cuban revolution implies new qualitative change, Ortega said, "that advances development goals with great persistence and seriousness, and which takes greatly into account man's needs and his overall development." Msgr Ortega warned that the Cuban revolution cannot be understood without considering Cuba's proximity to the United States and the immense power the U.S. Government has to control it or strangle it [ahogarla].

In closing, the church leader discussed the freedom the church has to appoint its authorities in Cuba. He said that bishops and parish priests "are appointed with completed freedom" and added: "The meeting of bishops, the clergy, and church layman, at all levels, is absolutely unrestricted."

PROVINCIAL ASSESSMENT MEETINGS ON DEFICIENCIES HELD

FL141422 Havana Radio Progreso Network in Spanish 1100 GMT 14 Jul 86

[Text] In Granma, Villa Clara, and Guantanamo Provinces, meetings have been held with the representatives of enterprises and local organs to examine deficiencies in economic performance and determine ways to resolve the problems described.

In Granma, the final remarks were made by Jose Ramon Machado Ventura, member of the party Politburo. Sixto Batista, member of the Secretariat of the Central Committee, presided over the meeting in Villa Clara. In Guantanamo, the closing remarks were made by Julian Rizo, Politburo and Secretariat member.

At all meetings, the analyses made of the steps required to correct the deficiencies noted have had a positive effect, because they demonstrated a growing awareness of the need to find real solutions for the deficiencies in econmic performance and in political and ideological work.

CENTRAL COMMITTEE MEMBERS ATTEND ANALYSIS MEETING

FL111808 Havana Radio Rebelde Network in Spanish 1700 GMT 11 Jul 86

[By Hernan Santos]

[Text] The analysis meeting on deficient work began today in Holguin. More than 130 enterprises and entities are represented. The meeting is presided over by Jose Ramon Machado Ventura, member of the Politburo and Secretariat of the Communist Party of Cuba Central Committee. Approximately 800 delegates are attending the meeting, including leaders from the party, government, UJC [Union of Young Communists], and political and trade union organiations. The meeting is characterized by a high spirit of criticism and self-criticism.

The first speech was made by Miguel Cano Blanco, Central Committee member and first secretary of the party in the province.

During the meeting, they discused several aspects of enterprise management that were stressed by Commander in Chief Fidel Castro during his last statements.

BARBADOS

FOREIGN MINISTER INVITED TO VENEZUELA FOR TALKS

FL141348 Bridgetown CANA in English 1833 GMT 12 Jul 86

[Text] Bridgetown, Barbados, July 12, CANA -- Barbados Foreign Minister J Carmeron Tudor is to pay an official visit to Venezuela, the government announced last night.

The invitation was conveyed yesterday by Venezuela's Special Ambassador for the Caribbean Francois Monack on behalf of his Foreign Minister Simon Alberto Consalvi. No dates of the proposed visit were given.

Monack, on an official visit here, spent yesterday meeting top officials in the island's new government, including Prime Minister Errol Barrow, Tudor, and Finance Minister Richie Haynes, for talks on proposals to deepen cooperation between Venezuela and Barbados.

The two countries have identified housing, petroleum, air services, tourism, educational and cultural exchanges as areas where they could collaborate more.

GRENADA

CASH FLOW PROBLEMS DELAY DEBT PAYMENTS

FL142142 Bridgetown CANA in English 1919 GMT 14 Jul 86

[Text] St Gebrges, Grenada, July 14, CANA -- The Grenada public sector had a difficult first half of the year, forcing the government to cut recurrent expenditure budget and defer payment of debt, Prime Minister Herbert Blaize says.

Blaize said debt repayment amounting to 13.4 million EC dollars would have to be delayed in order to cover an unfinanced gap of 19.5 million dollars following a cut in budgetary support of 7.2 million dollars by the United States Agency for International Development (USAID).

He said that the public sector was affected by an acute cash flow problem arising from the low intake of revenue due to the new fiscal reform measures introduced by the government in this year's budget.

He said that non-receipt of expected financial assistance, particularly for the capital budget, resulted in a number of projects within the public sector investment programme having to be grounded by the government. This, he indicated, had given rise to a shortfall in the anticipated employment within the public sector with the upshot being that the 1986 recurrent budget would have to be reduced by six million dollars. Unemployment is officially estimated at around 20 per cent.

Blaize said that at the end of June, the public debt stood at 181.2 million dollars with external debt at 115.7 million dollars and domestic debt at 65.5 million dollars.

He said that this outstanding balance includes arrears totalling 8.8 million dollars on loans to communist East Germany and Libya, which were scheduled for payment but had to be deferred primarily as a result of cash flow problems.

Blaize said that debt service paid by the government during the period under review amounted to 12.5 million dollars with principal accounting for 8.1 million dollars, and interest in the region of 4.4. million dollars.

The prime minister said recurrent expenditure reached 54.9 million dollars, which is 57 per cent of the expected half year level of 5.3 million dollars more than half of the approved budget before debt repayment. This level of expenditure stems from the non-implementation of the programme for reorganisation of the public sector which was provided for in the 1986 budget, he said.

Blaize said that at the end of June, recurrent revenue stood at 42.3 million dollars or only 39 per cent of the projected 108 million dollars for the year. He said the government had been able to collect only 9.7 million dollars in March to June on the controversial 20 percent value added tax (VAT) levied on goods and services and considered as the centrepiece of its fiscal reform package.

It is anticipated that the recent amendments to VAT and the business levy would give rise to expansion in business activity, thus permitting government to nearly achieve its overall revenue target of 108 million dollars by the end of the year, he said.

Even so, the remainder of the year is expected to be fiscally difficult owing to the unavailability of sufficient finance to cover the government's total budgetary requirements, he added.

TRINIDAD-TOBAGO

OPPOSITION PREDICTS POSSIBLE ECONOMIC COLLAPSE

FL142232 Bridgetown CANA in English 2219 GMT 14 Jul 86

[Text] Bridgetown, Barbados, July 14, CANA -- Opposition Barbados Parliamentarian David Simmons has forecast hard times, possibly including the collapse of the economy.

Simmons, the only minister of the defeated Barbados Labour Party administration to retain his seat in May's general election, was speaking ahead of tomorrow's presentation of the fiscal measures of the new government. The former attorney-general said that devaluation, import substitution, and controls on imports could result from the democratic labour party proposals, which include generous tax relief, according to press reports.

He felt that the proposed tax concessions would place a great strain on the country's balance of payments and foreign reserves and could lead to the collapse of the economy. While people would have more money in their pockets, Simmons said, there would be a reduction in the level of services.

He said the path taken by the government could carry Barbados along the lines of Guyana and Jamaica, whose economies have been depressed for years. He said the government had been elected on a pledge to provide more jobs but lay-off were continuing.

HOYTE SAYS ECONOMY REVITALIZATION MAIN GOAL

FL141322 Bridgetown CANA in English 1945 GMT 12 Jul 86

[By Clem David]

[Text] Georgetown, Guyana, July 12, CANA -- Guyana President Desmond Hoyte has told the country's foreign-based diplomats that revitalisation of the local economy is the government's chief priority now and foreign policy must servc domestic goals and objectives.

Addressing heads of Guyana's diplomatic missions from Asia, Africa, North and South America, as well as Latin America and the Caribbean at their annual conference here, Hoyte said yesterday that Guyana had already come through the political phase of its development, and is now in the economic phase...Economic considerations must be dominant, he told the 15 diplomats attending the conference, which has as its theme "The Economy: The Overriding Priority -- the Diplomatic Effort." Said Hoyte: we know what we want. Our task now is to facilitate the emergence of conditions in which our people can transform these resources into health.

Hoyte addressed the role of Guyana's diplomats in attracting foreign investment. We will have to secure the interest of overseas investors. We have to have partners in development...we need not be afraid of dealing with investors from overseas, he said, counselling that the principle of such dealings should be one of securing mutual advantage.

Some of the areas targeted for special emphasis, Hoyte said, are agriculture, including fisheries, minerals, including gold and diamonds, and forestry and tourism. He also outlined efforts to diversify the sugar industry and to promote wider production of a variety of products associated with the rice industry.

Hoyte noted that Guyana had formulated proposals for some 30 potential joint venture projects which can involve sister Caribbean Community (Caricom) states and said some of them had already been implemented. There are enourmous opportunities for development of the region's resources, for integration, and for the creation of wealth on a national and regional basis, said Hoyte.

Guyana's foreign policy, the president said, must proceed from the domestic situation. We start from there and we end there, adding that the objective is the service of national goals and objectives. Non-alignment is the best vehicle to achieve our national goals, said Hoyte, pointing out that this did not mean mere neutralism or timorous apathy. Guyana's foreign policy, Hoyte said, is based on deeply held principles and not expediency. He underscored Guyana's continuing belief in the United Nations system. Despite its imperfections, he said, it is the only feasible option for orderly international intercourse and international relations.

On the home-front, President Hoyte said people are willing to do things to further strengthen and develop our society and our nation. But these things must be accomplished from a material base, and neither the government nor the private sector can, alone, find the magnitude of resources needed. Guyana hopes to attract significant investment and to generate significant development, the president said.

He repeated Guyana's opposition to all forms of aggression. Hoyte restated his government's contention that apartheid in South Africa must crumble. Guyana's position on apartheid remains rigid and uncompromising, Hoyte said.

BOUTERSE ACCUSES NETHERLANDS OF INTERFERENCE

FL142313 Bridgetown CANA in English 2252 GMT 14 Jul 86

[Text] Paramaribo, Suriname, July 14, CANA-REUTER -- Suriname leader Desi Bouterse today lashed out at what he called Dutch interference in internal affairs and said a democratic opening now under way is not aimed at restoring aid from The Hague.

Speaking to a group of provincial officials, Bouterse said his five year-old revolution had developed a coalition of military, labour, business, and opposition political parties which is so unique that people abroad don't want to believe it.

If you think that this coalition has something to do with the restoration of (Dutch aid), you can forget it, Bouterse said.

The Hague cut off a 100 million dollar annual aid programme to Suriname after the murder of 15 opposition and labour leaders in December 1982.

Since then, the South American nation, once among the region's most prosperous, has gone into an economic decline aggravated by depressed world prices for its principal foreign exchange earner, bauxite.

Bouterse, a former Army sergeant who came to power in a 1980 barracks revolt, said his government will go ahead with development plans with or without Dutch support. He said Suriname will seek international finance elsewhere.

He criticized the Dutch Government for violating what he termed the internationally recognized principle that rejects the use of blackmail for political ends.

The Dutch Government has said it will not resume the aid without an investigation of the murders and guarantees of democratic reform.

Bouterse last year announced a gradual return to civilian rule by April 1987. This week, he is expected to name a new cabinet and a government coalition which he said today will include members of the powerful C-47 Trade Union Congress.

The leader of Suriname's military authority, Bouterse last week accepted the resignations of the councils two other members.

Bouterse told the meeting the recent expulsion of a Dutch Embassy official for alleged interference in Suriname's internal affairs had to do with the diplomats role in a legal proceeding against two Dutch journalists but did not elaborate. He warned that similar action could be taken against other diplomats.

Bouterse also implied the Dutch Government had aided in the arrest of Surinamese Army Commander E Boerenveen, who is awaiting trial in Miami on charges of conspiring to abet drug smugglers.

According to Bouterse, only time will tell the extent of Dutch involvement in arranging Boerenveen's arrest.

FBIS
DAILY REPORT
CONTENTS

Latin America

Vol VI No 136 16 July 1986

ARGENTINA

Alfonsin Visits Australia, New Zealand [cross-reference] B 1
Chile, U.K. 'Build Up Forces' on Border [BUENOS AIRES HERALD 15 Jul] B 1
Two Fishing Agreements Signed With Japan B 1
Armed Forces Supreme Council Appoints New Head B 1
Army's Budget Situation 'Poses Problems' B 2
Briefs: Merchant Marine Secretariat Created B 2

BOLIVIA

'Smoke Screen' Surrounds Use of U.S. Helicopters C 1
President Invited To Visit PRC in August C 1
Senate President Reports on Tour of PRC [EL DIARIO 5 Jul] C 1
Briefs: Cuban Scholarships Offered C 2

BRAZIL

Minister Favors Closing Informatics Secretariat [O ESTADO DE SAO PAULO 11 Jul] D 1
Chemical-Pharmaceutical Protection Policy Denied [O GLOBO 11 Jul] D 2
Briefs: Balance of Payments Surplus; Increase in Agricultural Production; Cocaine Seized, Traffickers Arrested D 2

CHILE

Reaction to Statements About U.S. Ambassador E 1
Admiral Merino on Country's Political Stability E 1
Foreign Minister Calls Most Countries 'Enemies' E 2
Nationalist Leader Possible Pinochet Successor E 3
Seguel, 10 Union Leaders Get 61-Day Sentences E 4
Suspect Arrested in Pinochet Tomb Vandalism E 4
Briefs: Civil Defense Director; Drug Traffickers Arrested E 4

PARAGUAY

Montanaro: Radio Charitas Director's Ouster Final [ULTIMA HORA 24 Jun] H 1

PERU

Award Ceremony Postponed by Senator's Illness J 1
Police Arrest 16 Shining Path Members, Find Arms J 1
3 Banco de Credito Offices Bombed in Lima J 1
Patrol Kills 9 Guerrillas, Destroys 3 Camps J 1

URUGUAY

Secret Document on Military Spying Alleged K 1
[LA HORA 3 Jul]

MEXICO

Petricioli Returns Without Formal IMF Agreement M 1
Government Approves GATT Membership Document M 1
CTM Secretary Comments on Economy at Meeting M 2
De la Madrid Speaks M 2
PAN Members Block Bridge on Border With U.S. M 3
Editorial Says PRI Must Restore Credibilty M 3
[UNOMASUNO 9 Jul]
Chihuahua Catholic Church Protests 'Fraud' M 4
Church Accused of Supporting Opposition M 5
[EL DIA 11 Jul]
Briefs: Bolivians Arrested for Smuggling; Navy Antinarcotics Campaign; Cocaine Seized M 7

PANAMA

Students, Defense Forces Clash in Colon N 1
U.S., Soviet Roles in Nicaragua Reviewed N 1
[LA ESTRELLA DE PANAMA 14 Jul]

CENTRAL AMERICA

COSTA RICA

Trade Suspended With Guatemala 14 July P 1

EL SALVADOR

Duarte Says Nothing New in FDR-FMLN Proposal P 1
FDR's Ungo on Dialogue vs. Political Agenda P 2

GUATEMALA

Cerezo Appoints New National Police Director P 4

HONDURAS

Azcona Says Country Not Preparing for War P 5
Msgr Vega Declines Return on Sandinist Terms P 5
Briefs: Ambassadorial Appointments P 5

NICARAGUA

Humberto Ortega Awards Military Promotions P 6
Borge Comments on U.S. Plans, Msgr Vega P 10
GATT Panel Meets To Discuss Managua Demands P 13
Youth Delegations Arrive for Managua Meeting P 14

CUBA

Raul Castro Receives Karl Roloff Brigade Q 1
Malmierca, CSSR Foreign Minister Discuss Relations Q 1
ICAP President Meets With Panamanian Official Q 1
ANPP Official To Attend Meeting in Bolivia Q 1
Risquet Meets With Greek Socialist Delegation Q 1
U.S. Reinforcing Presence in Central America Q 2
CIA To Experience 'Bright Future' Under Reagan Q 3
'Our America' on Situation in Chile, U.S. Stance Q 4

CARIBBEAN

BARBADOS

Government Announces Tax Concessions S 1

HAITI

Former Police Chief Desyr Sentenced to Death S 2

JAMAICA

Seaga, Manley Issue Statement Urging Nonviolence S 2
Central Bank Reports Economic Improvement S 3

ALFONSIN VISITS AUSTRALIA, NEW ZEALAND

For reportage on the 11 and 12 July visit of President Rual Alfonsin to New Zealand and Australia, see the 16 July Asia and Pacific DAILY REPORT.

CHILE, U.K. 'BUILD UP FORCES' ON BORDER

PY160219 Buenos Aires BUENOS AIRES HERALD in English 15 Jul 86 p 11

[Text] Bahia Blanca (DYN) -- The conservative daily LA NUEVA PROVINCIA said yesterday that the Chilean port of Punta Arenas has become the main jumping-off point for British supplies to the Malvinas, and that the Chilean and British military had developed a "broad and progressive strategy" to build up forces along the Argentine border near the port on the Straits of Magellan. Citing "legislative sources" in Buenos Aires, the newspaper said Defense Minister Horacio Jaunarena made the revelations about Chilean-British military cooperation at his testimony before the Senate on July 3. The newspaper said Jaunarena told the senators that British arms exported to Chile are among the most sophisticated in Latin America.

TWO FISHING AGREEMENTS SIGNED WITH JAPAN

PY160137 Buenos Aires NOTICIAA ARGENTINAS in Spanish 1530 GMT 15 Jul 86

[By special NOTICIAS ARGENTINAS correspondent]

[Text] Tokyo, 15 Jul (NA) -- Argentina and Japan signed two agreements on fishing, research and exploitation of the Argentine coastal sea areas during President Rual Alfonsin's 4-day official visit to Japan. The information was released tonight in the Akasaka Palace by Argentine Fishing Secretary Luis Jaime, who said that "two fishing agreements were signed with Japan during the conversations."

Jaime specified that one of them is related to Japanese financing of research for deep-sea fishing in the area off the Argentine coast, while the other relates to the cooperation among businessmen from the two countries in the fishing exploitation of that area.

He said that the Japanese fishery executives signed an agreement to invest in the enlargement of the fishing docks of Puerto Deseado, in what they consider "a nonreimbursable investment."

The officials also said that in the second half of August Japan will send a mission to analyze technical aspects of those projects and to determine the amount of the investment, which is estimated to be approximately 5 million.

Jaime added that the research agreement says that Japan will finance the studies and Argentina will provide a ship and nine scientists.

ARMED FORCES SUPREME COUNCIL APPOINTS NEW HEAD

PY152240 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1910 GMT 14 Jul 86

[Excerpts] Buenos Aires, 14 Jul (NA) -- The Defense Ministry today reported that Brigadier Carlos Mario Echeverria Martinez, retired, has been appointed to the Armed Forces Supreme Council. He will replace Brigadier Pablo Apella, retired, who tendered his resignation as president of this military court.

It was also confirmed that Auditor Brigadier Armando Inrungaray, retired, will become court prosecutor, replacing retired Brigadier Hector Canale, who died recently.

ARMY'S BUDGET SITUATION 'POSES PROBLEMS'

PY151429 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1358 GMT 14 Jul 86

[Text] Buenos Aires, 14 Jul (NA)-- A report which is in the hands of Defense Minister Horacio Jaunarena states that "for the first time in history the number of professional Army personnel surpasses the number of enlisted troops," and that currently "officers, noncommissioned officers, and women personnel total 28,000, while there are only 25,000 conscripts." The report also states that "other technical calcuations place the Army's military power at the unfavorable rate of 1 to 5 if compared with Brazil and 1 to 3 with Chile."

This data is contained in an article signed by Carlos Tortora which appears today in the newspaper AMBITO FINANCIERO. It states that "the government's plan continues to focus on reintegrating the Armed Forces into the democratic system," but says that it has been "proven that the worseniong of the Army's budgetary situation poses problems that are more pressing than structural reforms."

The article states that "for budgetary reasons the Army will reportedly soon order the discharge of some of this year's draftees, which has occurred for the past 2 years."

It is noted that since 1983 total Army personnel -- officers and noncommissioned officers -- "has decreased by 35 percent, a situation to which petitions for retirment and discharge for economic reasons have contributed decidedly."

The article states that the "situation is even worse in the military schools," noting that in 1985 about 250 students entered the Sargento Cabral noncommissioned Officers School, but this year that figure abruptly dropped to 40."

The article states that "another aggravating factor is that until 1985 the Army facilitated the transportation of the students enrolled in the noncommissioned officers school, "most of whom came from the interior. Fares are no longer paid, and this is reportedly reducing the number of enrollments."

The article states that "Logistics Chief General Julian Perez Dorrego has ordered that large quantities of Army equipment -- in some cases up to 80 percent -- be stored in warehouses because it is impossible to maintain all the equipment currently in use.

The article concludes by stating that Gen Perez Dorrego's decision "has reportedly caused much discussion among military leaders and that there is criticism that "because of this the training of personnel will be seriously reduced and a large proportion of the budget will have to be allocated to preventing the stored equipment from deteriorating."

BRIEFS

MERCHANT MARINE SECRETARIAT CREATED -- Buenos Aires, 7 Jul (TELAM) -- The Under Secretariat for River and Maritime Transport has been reorganized. It will now be called the Merchant Marine Secretariat [Secretaria de Marina Mercante] and it will be under the Public Works Ministry. Pedro Casado Bianco, the current president of the Argentine Shipping Lines, has been appointed new merchant marine secretary. [summary] [Buenos Aires TELAM in Spanish 0145 GMT 8 Jul 86 PY]

'SMOKE SCREEN' SURROUNDS USE OF U.S. HELICOPTERS

PY151839 La Paz La Red Panamericana in Spanish 1700 GMT 15 Jul 86

[Relay from Santa Cruz]

[Text] Military officials in Santa Cruz would not comment on the landing of a U.S. Galaxy airplane which Radio Panamericana reported yesterday. At 1400 six helicopters were unloaded from the Galaxy. According to comments heard at the Viru Viru Airport, the helicopters may be used in the struggle against drug trafficking. The commander of the 3d Air Brigade, General Jaime Zegada, told Radio Panamericana that he knows nothing about the destination of the six helicopters unloaded from the Galaxy. He added that it may be necessary to ask the Air Force or the National Defense Ministry in La Paz, because here in Santa Cruz, he does not know anything about it.

There was also some speculation this morning at the Viru Viru Airport that two helicopters may remain in Santa Cruz, two may go to Cochambamba, and the remaining two may be sent to another region in eastern Bolivia. The fact is that there seems to be some kind of smoke screen concerning the destination of the six helicopters that were unloaded from the Galaxy yesterday. The people of Santa Cruz are requesting an explanation from Defense Ministry officials.

PRESIDENT INVITED TO VISIT PRC IN AUGUST

PY151842 La Paz La Red Panamericana in Spanish 1700 GMT 15 Jul 86

[Text] President Victor Paz Estenssoro has been invited by the PRC premier to visit China in August. This report, which was provided by official sources of the PRC Embassy in Bolivia, states that the invitation was made in view of the good image created by Bolivia in the world and the international recognition of its president.

It is not known if President Paz Estenssoro will accept the PRC invitation. If the invitation is accepted, the president will travel in August. Bolivia established diplomatic relations with the PRC during the last months of the Popular and Democratic Unity regime.

SENATE PRESIDENT REPORTS ON TOUR OF PRC

PY151314 La Paz EL DIARIO in Spanish 5 Jul 86 p 3

[Text] Senate President Oscar Zamora has reported on the official visit he made with a delegation of Bolivian senators to the PRC. He said that the PRC is interested in conducting joint projects with President Victor Paz Estenssoro's administration to use the iron extracted from El Mutun mine and for the installation of a small steel mill in Santa Cruz Department.

A group of 10 Bolivian senators from various political parties travelled to the PRC at the invitation of the National People's Congress [NPC], Zamora said, adding that the senators learned that the two countries agree on such important principles as the peoples' right to self-determination, the defense of their sovereignty, and the ability to undertake joint and coordinated projects to make use of natural resources and process raw materials.

Zamora said that the PRC Government is willing to consider with Bolivian authorities the use of iron from the El Mutun mine and the installation of a small steel mill in Santa Cruz Department. These projects will be paid for with manufactured products that will be exported to the PRC.

He also said that the PRC leaders and representatives expressed their understanding and solidarity with Bolivia's landlocked situation and that they will support Bolivia in international forums to find a proper and feasible solution to this problem.

Zamora, who is Senate president and leader of the Revolutionary Front of the Left [FRI], said that there are very favorable conditions for the establishment of a broad program of exchange and cooperation between Bolivia and the PRC, and he added that the government should intensify negotiations to enable the joint commissions of the two countries to meet as soon as possible to try to accurately identify all the projects that can be conducted together.

He said that Bolivia can learn from the experience and technology developed by the PRC in the installation of small and middle-sized basic industries as a way to overcome backwardness and to process Bolivian raw materials through public or joint venture companies.

The senators who toured the PRC were able to verify the PRC Government's and people's "great political will" to understand and cooperate with Bolivia, Zamora said, especially to promote intensive cooperation and exchange programs among Third World countries to promote development without aggravating the foreign debt problem "which is causing our peoples so much concern."

Finally, Senator Zamora announced that an important delegatin of NPC representatives will visit Bolivia soon to try to further unite the two countries. He said that at the end of the senators' tour to the PRC, they drew up a document known as the "Bejing Declaration," which identifies the points on which the two countries agree and expresses the will to intensify exchange, assistance, and cooperation ties.

BRIEFS

CUBAN SCHOLARSHIPS OFFERED -- The Planning and Coordination Ministry has reported that the Cuban Government has offered scholarships to Bolivian students from 15 to 20 years of age. The scholarships are in the fields of X-ray and laboratory technology, labor economy, and physical education and are for 3 years. Airplane fare will have to be paid by the students. [Excerpt] [La Paz La Red Panamericana in Spanish 1130 GMT 12 Jul 86 PY]

MINISTER FAVORS CLOSING INFORMATICS SECRETARIAT

PY151948 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Jul 86 p 25

[Text] The suggestion by Communications Minister Carlos Magalhaes that the Special Secretariat of Informatics [SEI] be closed and that its functions be dealt with by the National Council of Informatics and Automation [Conselho Nacional de Informatica e Automacao -- CONIN] with the participation of all Brazilian ministries, society, commerce, industry, and professional representatives, could not be more sensible and timely. Magalhaes has clearly explained the basic problem that today affects the national informatics industry: The cause is the SEI itself, a small organization left over from the old regime's information services, together with a few dozen ideologically stagnant public servants, who have taken control of the national informatics policy.

According to Congress, the informatics policy should be outlined by CONIN, but this is not happening. The science and technology minister, Renato Archer, who unexplainably was entrusted with the informatics policy, has reacted by saying that the SEI in itself is the Brazilian Informatics Law. This statement alone demonstrates exactly how the minister interprets his messianic mission: that he and only he can implement the whole national informatics policy!

Then why has Congress created the CONIN? Renato Archer believes that the CONIN is an outmoded agency. He even managed to suppress it. First, he violated the spirit of Congress' law by transferring the informatics policy from the sphere of the Presidency to his own ministry. Then, simultaneously he simply terminated the CONIN meetings, a thing that angers Minister Carlos Magalhaes. Why did he end those meetings which at most are held two or three times a year? Simply because during the first few meetings several ministers, such as the industry and commerce, and communications ministers, as well as industry sector representative Eugenio Staub, dared to speak, to make proposals, and to try to improve the informatics policy. Since Renato Archer believes that the informatics policy is the SEI and that the SEI is the informatics policy, it was better to silence the CONIN.

This is what the ministers do not like. They are aware that a single unprepared secretariat cannot maintain total control over such a broad field which surpasses greatly the simple limits of informatics. This concept actually includes the whole of the national industry, as stated in the law. That is what Minister Magalhaes is protesting against: The industrial policy of the country cannot be concentrated in the hands of 60 or 70 ideologically stagnant public servants whose opinion is above that of everyone else, even the president of the republic himself.

The CONIN must implement the national informatics law, not the SEI. Contrary to what Archer says, informatics is not the SEI, informatics is the CONIN , it is the Science and Technology Ministry, the Industry and Commerce Ministry, and the Communications Ministry. The CONIN is therefore all the economic ministries directly affected by any authoritative and isolated decision made by SEI officials.

CHEMICAL-PHARMACEUTICAL PROTECTION POLICY DENIED

PY141710 Rio de Janeiro O GLOBO in Portuguese 11 Jul 86 p 25

[Text] "There has never been any talk about protectionist policies for the chemical-pharmaceutical industry. There is no protectionism, and the government has not thought of creating protectionist policies for that sector." This statement was made yesteday by Industry and Commerce Minister Jose Hugo Castelo Branco, answering press reports that the government is thinking of creating protectionist policies for the chemical-pharmaceutical industry.

The minister added that a protectionist policy for that sector would be extremely harmful because it would hinder new investments. Castelo Branco pointed out that the CDI (Industrial Development Council) is going to study the projects of that sector to prevent the effects of predatory competition and to insure "for national and foreign companies" the appropriate conditions to operate in the Brazilian market.

Despite the intention to give preference to national projects, Castelo Branco emphasized that the government does not plan to prevent the formation of association between national and foreign companies in that sector. He believes that the decree prepared by the Ministries of Finance, Planning, Industry and Commerce, Science and Technology, Health, and Agriculture clearly states that the government does not plan to create protectionist policies "because it does not want to restrict the participation of multinational capital."

BRIEFS

BALANCE OF PAYMENTS, SURPLUS -- The balance of payments has recorded a surplus of more than $6 billion from January to June. CACEX [Foreign Trade Department] Chief Roberto Mendes has estimated that the June balance of payment surplus will be approximately $1 billion. This means that the balance of payment surplus for the first half of the year will surpass $6 billion. [Excerpt] [Brasilia Domestic Service in Portuguese 2200 GMT 8 Jul 86 PY]

INCREASE IN AGRICULTURAL PRODUCTION -- The Production Financing Company expects a grain crop of 52.4 million tons for this year, 37 million tons of which will be in cereals. Meanwhile, Agriculture Minister Iris Resende says that next year's production will be 10 to 15 percent larger than that of 1986. [Text] [Brasilia Radio Nacional de Amazonia Network in Portuguese 1000 GMT 12 Jul 86 PY]

COCAINE SEIZED, TRAFFICKERS ARRESTED -- The Federal Police on 4 July announced that in the past few days they discovered two small cocaine processing plants, seized 15.5 kg of pure cocaine, and arrested drug traffickers Roberto Rodrigos, 38, Mauro Jose Bastos Farias, 28, Carlos Alberto Ferreira Guimaraes, Jorge Luiz dos Santos, and Esmeraldino Manoel de Araujo. The arrests and seizures took place in Rio de Janeiro, Rio Comprido, and Nova Iguacu. So far this year the Federal Police have seized 182.5 kg of pure cocaine and arrested 18 traffickers in Rio de Janeiro. [Summary] [Rio de Janeiro O GLOBO in Portuguese 5 Jul 86 p 14 PY]

REACTION TO STATEMENTS ABOUT U.S. AMBASSADOR

PY152325 [Editorial Report] Santiago Radio Chilena in Spanish at 1700 GMT on 15 July 1986 reports that former Chilean Ambassador to the United States Jose Miguel Barros wondered whether "Admiral Merino, in making such statements about U.S. Ambassador Barnes, conveys the thoughts of the president of the Republic who, within the constitutional framework, is the only one with the authority to make statements on this issue. Does the Chilean Government really want the U.S. Government to replace its ambassador? And if so, has it thought about the political consequences of such a decision? He added that if the wish really is to have Barnes replaced, someone should inform the government that diplomacy has more appropriate methods. Barros noted that the consequences of recent mistakes and improvisations of the Chilean Government will begin to be felt before the end of the year. He termed Merino's statemetnts as "imprudent, in appropriate and unfortuante, and voiced his surprise that Foreign Minister Jaime del Valle had not commented on the remarks. However, shortly after Barros' comments, Jaime del Valle stated that "90 percent of the countries of the world are Chile's enemies." Former Senator Fernando Maturana, leader of the National Union Movement, MUN, said that Admiral Toribio Mevino's statement that if it wanted to be well-informed, the United States should replace its ambassador in Chile, has caused surprise, to say the least."

Former Justice Minister Monica Madariaga stated that Marino's request for the replacement of the ambassador of "the first power in the world, from my point of view, represents a lack of respect." She believes that mutual respect among human beings has been lost in Chile. "I believe that when high-ranking Chilean authorities lost this respect for their own nation and the entire world, they lost respect for themselves, and as a consequence they are not in a position to demand any specific type of behavior from the country they intend to rule." In a relay from La Moneda Palace it is reported that "U.S. Ambassador Harry Barnes disclused that he will hold a meeting with Admiral Toribio Merino. However, the ambassador did not disclose the time or the site." The ambassador made these statements after accompanying U.S. Deputy Assistant Secretary for Inter-American Affairs, Robert Gelbard, to a meeting with Sergio Valenzuela, minister secretary of the presidency.

ADMIRAL MERINO ON COUNTRY'S POLITICAL STABILITY

PY160326 Santiago Radio Chilena in Spanish 2300 GMT 15 Jul 86

[Text] Admiral Jose Toribio Merino Castro has affirmed that the Government Junta will abide by the 1980 Constitution regarding presidential succession. Asked whether the Navy would support General Pincohet if he should present himself as candidate in 1989, the Navy Commander in Chief replied that the date is still far off.

[Begin recording] [Reporter] Admiral, what is your opinion of the statement by President Pinochet regarding prolongiing his government until 1987?

[Merino] j I have not said anything, nor will I say anything. Pinochet has the right to say what he wants.

[Reporter] What is the Junta position regarding the government's projection pat 1989?

[Merino] Its position is to abide by the Constitution and nothing else. We have a Constitution, but unfortunately it has not been read.

[Reporter] Are you referring its provisions for 1989?

[Merino] I am referring to the political idea, not to men. This idea is the best we have at this moment and it seems that it will be the best we will have in the future, because the country is growing. There is job stability. It is just that a bunch of crazy people are trying to tear down the system, but this does not mean that the country does not have any political stability. There is more stability now than ever before.

[Reporter] And the man who will continue the process?

[Merino] The man can be anyone. He can be a man chosen from the streets, who at this time has no idea that he might be the one.

[Reporter] What do you think of Federico Willoughby as a candidate?

[Merino] I do ot know him. [end recording]

The admiral was then asked if he supports his statement that if the U.S. State Department replaced the ambassador Harry Barnes, it would be better informed.

[Begin recording] [Merino] I said it and I will not repeat it. Today, I will talk with the U.S. ambassador and..[recording cut off]

[Reporter] Admiral, do you believe that the U.S. State Department has no accurate information about what is happening or about the political process unfolding in our country?

[Merino] I would not say that it does not have accurate information, but it has information that is misinterpreted because of a difference in criterion. They are Anglo-Saxons, and we are Latins. They see things one way, and we see things another way. Since I have twice gone to the United States to talk about these questions, I can say that we have to explain to them our viewpoints and objectives. We have to repeat to them that we are an independent and soverign country conducting its affairs within the laws and the Constitution. As long as we act this way, we have to tell them that we do not accept being told what to do. [end recording]

On a different subject, Adm Merino was asked whether it was true that the Navy had prevented an internal coup some months ago, as the press has reported. Merino replied that such a story is nothing but an absolute lie. The admiral said that he was sick in bed at the time and did not know anything.

After talking with the journalists, Adm Merino met with U.S. Ambassador Harry Barnes in private at the Diego Portales Building.

FOREIGN MINISTER CALLS MOST COUNTRIES 'ENEMIES'

PY152330 Santiago Radio Chilena in Spanish 1700 GMT 15 Jul 86

[Text] Foreign Minister Jaime Del Valle has stated that 90 percent of the world's countries are enemies of Chile and spread lies about Chile in every possible way. He also said that there is a large number of Chilean citizens who roam the world to bring discredit upon the government and ultimately the country.

Foreign Minister Del Valle participated this morning in a breakfast meeting of the Chilean-FRG Chamber of Commerce and Industry that was held at the Sheraton Hotel. The meeting was also attended by the Chilean ambassador to the FRG, Vasco Undurraga, and representatives of the German diplomatic corps.

[Begin Del Valle recording] Our country now has 90 percent of the world's countries as enemies. I do not say unfriendly, but enemies of Chile. These countries spread all kinds of lies about our country, and a large number of Chilean citizens roam the world to discredit the government and the country. Despite all this, we will forge ahead, because our country deserves enough confidence to invest here. At least it deserves much more confidence than other countries where investments are being made. I have nothing against anyone, and this is not the place or time to criticize any friendly and brotherly country. I can proudly say that the conditions existing in this country more than justify the confidence that many investors have or should have in this nation. [end recording]

Jaime Del Valle noted that the government's efforts are hindered abroad by the campaign being developed by sectors that are intent on distorting the real image of Chile, as happened on 2-3 July. He said that what happened on those days does not reflect the real Chile, which is busy working and producing. This he added, should be kept in mind by those who want to invest in Chile. In conclusion, the minister pointed out that trade between Chile and the FRG increased 6.4 percent in the January-March period, compared with same period last year, although this trade is still below the historic levels of 1980.

NATIONALIST LEADER POSSIBLE PINOCHET SUCCESSOR

PA152217 Paris AFP in Spanish 2247 GMT 14 Jul 86

[Excerpts] Santiago, 14 Jul (AFP) -- Today Chilean nationalist leader Federico Willoughby, who was one of the first collaborators of the government junta that took power in Chile 13 years ago, submitted his name as a possible presidential condidate to succeed General Augusto Pinochet.

After handing a formal presentation to the chief of the Armed Forces and to the director of the Carabineros militarized police, Willoughby said: "I have proposed my name just like any other Chilean, civilian, or uniformed."

These officials must designate Pinochet's successor or propose Pinochet himself for a new 8-year term of office which would begin in 1989, but that designation must be ratified or rejected by Chileans in a plebiscite, according to the Constitution proclaimed by the military government.

Willoughby, founder of the National Action Movement and former government junta press secretary, announced his initiative after Pinochet confirmed on Friday his intention to continue his regime until 1997. This was considered in political circles as a virtual proclamation of Pinochet's candidacy to continue in the presidency. [passage omitted]

In opposition circles the Christian Democrats said today that Gen Pinochet had tried to avoid "the exodus of his dwindling followers" by announcing his intention to "perpetuate himself in power."

Radical leader Enrique Silva Cimma, president of the Democratic Alliance, said that this party coalition rejects the 1989 plebiscite "as it is not democratic because the name of a future president is be proposed by four generals who depend on Gen Pinochet."

SEGUEL, 10 UNION LEADERS GET 61-DAY SENTENCES

PY151510 Madrid EFE in Spanish 0209 GMT 15 Jul 86

[Text] Santiago, Chile 14 Jul (EFE) -- CNT [National Workers Command] President Rodolfo Seguel and 10 other opposition leaders today were sentenced to 61 days in prison by a court for their participation in a day of protest against the government late last year.

The sentence was issued by Judge Sergio Valenzuela Patino, who found them quilty of violating the state security law which prohibits the calling of social mobilizations against the military regime. Among those sentenced were CNT Vice President Manuel Bustos, who is also president of the National Union Coordinating Board and Jorge Pavex, president of the Trade Union Association of Chilean Teachers (AGECH).

Eight of these who were sentenced will have their sentence suspended they will not go to prison -- because this is their first offense. Union leaders Manuel Bustos and Mario Araneda will have to serve their sentences at night (they will be free during the day), because they have been previously sentenced by government order.

SUSPECT ARRESTED IN PINOCHET TOMB VANDALISM

PY151325 Madrid EFE in Spanish 0059 GMT 15 Jul 86

[Excerpt] Santiago, 14 Jul (EFE) -- It was officially reported today in Santiago that Chilean security services have arrested one of the perpetrators of the damage caused to the mausoleum of the family of the chief of the military government, General Augusto Pinochet.

According to National Intelligence Center (CNI), the perpetrator is Marco Antonio Rivera, 23, a married Chilean businessman, and the father of children. Rivera lives in the suburban Conchali district and is a mamber of the proscribed Communist Youth.

According to the same source, Gen Pinochet, in a humanitarian gesture, has decided not to take legal action, and Marco Antonio Rivera will be set free within the next few hours. [passage omitted]

BRIEFS

CIVIL DEFENSE DIRECTOR -- Brigadier General Luis Mujica Collados has been sworn in as Civil Defense director, replacing Colonel Diego Grez, who has resigned. Gen Mujica will head an organization of nearly 45,000 volunteers, who are to aid the community in times of emergencies such as earthquakes or heavy storms. [Summary] [Santiago Domestic Service in Spanish 1100 GMT 12 Jul 86 PY]

DURG TRAFFICKERS ARRESTED -- Chilean police have arrested Maria Betty Ahumada and Sixto Toledo, confiscating 1.05 kg of highly pure cocaine hydrochloride in their possession. The drug had been bought in Chapare, Bolivia, by Ahumada a few days ago and brought to Santiago via Arica. It was about to be distributed among drug addicts in Santiago by Ahumada and Toledo. [Santiago Domestic Service in Spanish 1700 GMT 5 Jul 86 PY]

MONTANARO: RADIO CHARITAS DIRECTOR'S OUSTER FINAL

PY150214 Asuncion ULTIMA HORA in Spanish 14 Jul 86 P 9

[Text] "The decision against allowing Father Javier Arancon to return to Paraguay is final. Despite having a residence permit. his behavior as a foreigner toward the government and institutions has been unsuitable," Interior Minister Sabino Augusto Montanaro said this morning when discussing the situation arising from the expulsion of the Franciscan priest.

"Lately the programs of Radio Charitas in Paraguay have taken the shape of a campaign that is both disruptive and harmful as far as relations between church and state are concerned," the minister emphasized.

Montanaro went on to say that Charitas "is a Catholic radio station managed by members of the Franciscan order. However, we have been forced to take this measure because this station does not do anything to enhance harmony, peace, and understanding among Paraguayans. We are not prepared to allow foreigners, even if they have a residence permit and irrespective of whether they are priests or laymen -- because there are foreign laymen working at radio stations and stating their opinions -- to get involved in local affairs as if they were Paraguayans. As we have said before, Paraguayan problems will be resolved by Paraguayans. Foreigners, whether priests, laymen, or anything else, will not be allowed to come and preach hatred among Paraguayans. We are especially opposed to underhanded propaganda used to further the cause of doctrines totally alien to the democratic system that prevails in our country." Minister Montanaro concluded by stressing: "Let Paraguayans pass judgment on government people. That is what political parties and national democratic organizations are for."

AWARD CEREMONY POSTPONED BY SENATOR'S ILLNESS

PY151306 Lima Panamericana Television Network in Spanish 0300 GMT 15 Jul 86

[Text] The ceremony during which President Alan Garcia was to be awarded the Medal of Congress has been postponed because of an ailment affecting Senate President Luis Alberto Sanchez.

Sanchez and the commission that awards the medal were scheduled to decorate the president this morning at Government House. The highest grade of the decoration was to be awarded to the president in his capacity as chief executive, in appreciation of his efforts to defend democracy and his full support for the Constitution.

A Government House spokesman said that the ceremony was postponed for 2 or 3 days to let Sanchez recuperate.

POLICE ARREST 16 SHINING PATH MEMBERS, FIND ARMS

PY141852 Madrid EFE in Spanish 0147 GMT 14 Jul 86

[Text] Lima, 13 Jul (EFE) -- Interior Minister Abel Salinas reported today in Lima that the forces of order have arrested 16 Shining Path members in towns in Junin and Pasco Departments, in the Peruvian central mountainous region.

Salinas said during a press conference that joint military and police forces surrounded a Shining Path group in areas near the city of Tarma, located in Junin, and that eight Shining Path members were arrested after a clash between the joint forces and subversives, in which one subversive died. He also said that three FAL rifles, three automatic rifles, carbines, and dynamite had been confiscated from the subversives.

The interior minister added that the police had arrested eight more Shining Path members in a remote area near Cerro de Pasco, capital of the Pasco Department.

3 BANCO DE CREDITO OFFICES BOMBED IN LIMA

PY142017 Madrid EFE in Spanish 1402 GMT 14 Jul 86

[Text] Lima, 14 Jul (EFE) -- Three branch offices of the Banco de Credito de Peru were attacked with explosives this morning by alledged terrorists. Two of the attacks took place in Surquillo District, and the third in San Luis District, both in Lima.

The police reported that the attacks took place before the offices opened, and caused only minor damage.

PATROL KILLS 9 GUERRILLAS, DESTROYS 3 CAMPS

PY151254 Lima Canal 9 Television in Spanish 0330 GMT 15 Jul 86

[Text] The Armed Forces Joint Command has reported that on 10 July nine terrorists died in a clash with a military patrol in the Mandor area in La Mar Province, Ayacucho Department. Three guerrilla camps were also destroyed.

SECRET DOCUMENT ON MILITARY SPYING ALLEGED

PY152359 Montevideo LA HORA in Spanish 3 Jul 86 p 2

[Text] The text of a secret document issued by the Armed Forces, ordering the surveillarce of a large number of political and social organizations, was revealed on 2 July. The existence of the secret document was reported last week by Jair Krischke, a member of the Brazilian justice and human rights movement.

The 15-page document, which apparently became operational on 1 July 1985, is signed by Army Commander in Chief Lieutenant General Hugo Medina.

The military document assigns the surveillance of a group of political, trade union, and social organizations to several military units. As explained in the document, the military forces were to take over the gathering of all the information concerning certain organizations, including tailing their members.

In one chapter the document refers to the mass media, assigning Commands No 1 and 2 the task of daily monitoring of the broadcasts of radio stations CX 30 La Radio, CX 36 Centenario, CX 40 Fenix, and the Palace's FM radio station.

The document states that the military men must monitor all the information referring to the Armed Forces as an institution, or to its members.

Elsewhere, concerning the radio station EX 30 LA Radio the document states that daily transcripts must be made of the comments made by its "Director Jose German Araujo and by PCU's [Communist Party of Uruguay] Enrique Rodriguez."

The document also states the need to monitor and spy upon the activities of the Catholic Church and other religious groups.

In addition, reference is made to the fact that the same steps are to be taken concerning groups or institutions championing human rights.

The document also states that all the activities and tasks conducted by political organizations such as the PCU, the PVP [People's Victory Party], the IDI [Independent Democratic Left], the 26 de Marzo group, and the MLN (National Liberation Movement] must be watched.

According to the military document, all these political organizations are described as "subversive," and therefore special surveillance of all the activities conducted by these political groups is required.

Another passage of the document requires that military personnel know about trade union leaders, their political affiliation, and all their activities.

PETRICIOLI RETURNS WITHOUT FORMAL IMF AGREEMENT

FL152259 Mexico City NOTIMEX in Spanish 2221 GMT 15 Jul 86

[By correspondent Jose Carreno]

[Text] Washington, 15 Jul (NOTIMEX) -- Gustavo Petrocioli, Finance and Public Credit Secretary, returned to Mexico today without reaching a formal agreement with the IMF but within a few days of achieving this goal.

A technical group remained in Washington to finalize the document that, according to informed sources, could be signed by next week after completing the final details.

Petricioli and IFM Director Jacques de Larosiere practically finished the general agreement over the weekend, and this is being interpreted here as an exceptional demonstration of flexibility on behalf of the IMF.

In statements made Monday to a U.S. news service, Petricioli said Mexico and the IMF have reached a general agreement in principle, and they could resolve the technicalities within a week.

The secretary left Washington on a Bank of Mexico plane accompanied by Francisco Suarez Davila and Pedro Aspe, under secretaries of finance and programming and budget, respectively.

During his last day in Washington, Petricioli met with James Baker, U.S. treasury secretary. A Treasury spokesman confirmed the meeting but did not provide any details.

According to other sources, the IMF for the first time agreed to take the abrupt fall in oil prices into consideration as well as other short-term problems to decide which austerity measures would be required of Mexico in exchange for new loans.

The IMF recognized Mexico's need for economic growth. It decided not to include domestic interest payments into its calculations, which, according to sources, is beneficial to Mexico.

GOVERNMENT APPROVES GATT MEMBERSHIP DOCUMENT

FL151915 Mexico City NOTIMEX in Spanish 1551 GMT 15 Jul 86

[Text] Mexico City, 15 Jul (NOTIMEX) -- The Mexican foreign trade cabinet has approved the document created by the GATT-appointed work group. The document takes into consideration Mexico's GATT memabership.

During a work meeting headed by President Miguel de la Madrid, Hector Hernandez, commerce and industrial development secretary, presented a detailed report on the Mexican GATT membership negotiations. The document includes the draft membership protocol, a report from the work group, and a list of Mexican concessions for membership.

Today, in Geneva, Switzerland, the GATT Permanent Council will consider the document. The Mexican delegation has received instructions to report Mexico's approval. After permanent council approval, the member-countries will vote. After a two-thirds majority is reached -- 61 votes -- Mexico will sign it pending a referendum. Final approval will be made by the Senate in accordance with the Constitution.

The information released by the government also confirms that once the GATT council approves the document, the foreign trade cabinet will publish all material resulting from the negotiation process so that the public can become familiar with the details.

CTM SECRETARY COMMENTS ON ECONOMY AT MEETING

PA152128 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 14 Jul 86

[By Humberto Mares Navarro]

[Excerpts] Low efficiency and productivity levels are at the heart of Mexico's economic problems, President Miguel de la Madrid told representatives of organized labor today during the opening of the fifth national economics meeting of the Confederation of Mexican Workers [CTM]. [passage omitted]

Before President de la Madrid spoke, Nezahualcoyotl de la Vega, CTM secretary for economic affairs, said that the CTM believes that the economic situation must be countered by reactivating the economy according to four basic points: drafting of foreign debt payment policies that will allow the country to promote key development and production goals; reactivation of the domestic market demands by increasing the purchasing power of salaries; optimum utilization of the existing means of production; and reorganization of the nation's monetary and fiscal policies to make them responsive to the needs of the productive sector.

De la Vega said that the CTM is committed to an active alliance with the government in which it examines and proposes solutions.

De la Madrid Speaks

FL150246 Mexico City NOTIMEX in Spanish 2005 GMT 14 Jul 86

[Text] Mexico City, 14 Jul (NOTIMEX) -- President Miguel de la Madrid said today the economy is going through a truly difficult time, and we are in danger of entering a period of recession and unemployment if we do not take the necessary measures in a timely and efficient manner.

Upon opening the fifth economic meeting of the CTM, the president said the danger exists of confronting an uncontrolled inflation, which will increase economic recession accompanied by unemployment and depression among Mexicans.

During his speech to CTM leaders at their headquarters in Mexico City, the chief executive demanded seriousness and responsibiltiy from all sectors of the population in stating problems and solutions. The main goal, he said, should be overcoming crisis, recovering the capacity for growth, creating employment, checking the deterioration of salaries, and continuing in the construction of a more just and equal society.

De la Madrid said that behind the economic problems are low indexes of efficiency and productivity that lag behind other countries economies.

He stressed that Mexicans cannot recover the capacity for growth if we do not make a joint effort between production and government to substantially elevate the levels of efficiency and productivity in goods and services.

The president also said it is indispensable that workers, through their organizations, analyze and deeply reflect upon the economic circumstances confronting the nation, which are still critical and difficult.

If we do not promptly and efficiently make use of the measures to overcome the economic difficulties, he stressed, we could enter into a recession and unemployment, which would later be very difficult to overcome.

Finally, the president told the CTM members to focus their work at this meeting to expand the horizon of ideas and actions that would benefit the people of Mexico.

Accompanying De la Madrid to the ceremony were CTM leader Fidel Velazquez, secretaries Arsenio Farell, labor and social welfare; Manuel Bartlett, government; Carlos Salinas de Gortari, programming and budget: Francisco Rojas, comptroller general; and labor leaders.

PAN MEMBERS BLOCK BRIDGE ON BORDER WITH U.S.

PA151242 Madrid EFE in Spanish 1110 GMT 15 Jul 86

[Text] Mexico City, 14 Jul (EFE) -- An authorized source has told EFE that an undetermined number of National Action Party (PAN) sympathizers blocked one of the bridges that joins Ciudad Juarez, Chihuahua State, with the U.S. town of El Paso, Texas, tonight.

A spokesman of the Ciudad Juarez police also disclosed that PAN members carried out that action to protest, they said, because their candidates for mayor of that city, Gustavo Elizondo, lost the 6 July elections. He added that soldiers of the Mexican Army as well as policemen of several units are on the alert to prevent PAN members from committing any crimes.

Jaime Bermudez, supported by the PRI, in power since 1939, defeated Bermudez by a landslide. With Bermudez' victory, the PRI recovered the mayor's office in Ciudad Juarez which had been in PAN (moderate right), the country's second largest political force, hands for the past 3 years.

Francisco Barrio had been ruling Ciudad Juarez since 1983. Barrio was nominated by the PAN as a candidate for governor of Chihuahau, but he lost the race to Fernando Baeza of the PRI.

EDITORIAL SAYS PRI MUST RESTORE CREDIBILITY

PA141449 Mexico City UNOMASUNO in Spanish 9 Jul 86 p 3

[Editorial: "Transformation Has Not Taken Place"]

[Text] The real problem that the PRI must face is not how to obtain more votes, but how to restore its credibiltiy with Mexican society. It is a fact that the people's trust and certainty that the PRI was carrying out a historic project has weakened. Even though this still does not reduce its possibilties of administering power, it creates a dangerous emptiness around it.

Further evidence of this trend is the lack of favorable comment on the official party. One should analyze the points of view of the nation's influential intellectual sectors regarding the PRI. A wave of progressive intellectuals has not given credence to the PRI's electoral victories, and they have said that even though its victories may be completely legal, the PRI should voluntarily pluralize its use of power.

Other Mexican thinkers such as Octavio Paz and Carlos Fuentes, each with his own metaphor and reasoning, also agree on the thesis that the party and the political system must be reformed and modernized from the inside in a gradual and firm manner.

All these statements do not come from nowhere. They come from a very visible and practical reality: that the most productive and realistic possibilities for reform in recent times come from the inside of the system or from academics and thinkers, like the political figure Jesus Reyes Heroles, former public administrator Porfirio Munoz Ledo, or a more independent and influential figure such as Pablo Gonzalez Casanova, despite the fact that he does not belong to any political party.

The people's points of view reveal and even demand a transformation that has not taken place yet, and no one knows when it will take place. A genuine democratization of the PRI has not taken place yet beginning from the smallest organizations to the municipal, state committees, and National Executive Committee.

Deep inside they are asking for a simple reform: that in each one of those units of political action, the will of the party members should prevail for them to decide on what steps to take and who they should designate as candidates for the party. This never happens because each case is always or almost always settled in negotiations among top party officials. The labor sector plays an important role in this mechanism because of the strength of the labor unions. The people also play a role because they are the means by which the executive states his decisions. [sentence as published]

This panorama, filled with nondemocratic practices stains our system from one end to the other, while the other options that are presented never advanced because they are only words. The National Action Party's ideas carry us backward historically because they want us to be subordinated to foreign interests. Left-wing parties do not show any fundamental concern for democracy in their inspirational models.

Consequently, the PRI looks like a crippled giant who is unsatisfied and cannot satisfy society, but at the same time does not have any rivals or any other options. Without doubt conformists might like this situation, but the Mexican people who advance in their ideological structures, levels of information, and degree of reflection on more pluralistic styles do not agree with this form of political power.

CHIHUAHUA CATHOLIC CHURCH PROTESTS 'FRAUD'

PA141920 Paris AFP in Spanish 1540 GMT 13 Jul 86

[Excerpt] Mexico City, 13 Jul (AFP) -- The Catholic Church of Chihuahua has announced that its churches will be closed next Sunday and that its priests will not officiate at masses to protest the "fraud" perpetrated during the elections held a week ago in that northern Mexican state.

"This is a protest measure, a loud cry on our part to open the eyes of those who are blindfolded or who have been blinded by their own guilt," the ecclesiastical hierarchs stated in a homily read in all the churches in the state.

In accordance with our evangelical principles "we protest the shameful incidents that characterized the 6 July elections," said the document released on the eve of the announcement to be made today on the official results of the elections for governor, legislator, and municipal authorities. The homily added: "We protest the falsity, fraud, slowdown, the arrogance of the police, the blackmail, threats, and all the arbitrary actions carried out that day" in favor of the progovernment PRI and against the opposition National Action Party (PAN).

Referring to the people in its diocese, the Chihuahua church noted that "the people have fallen into the hands of robbers, they have suffered all kinds of repression, abuse, hoax, and scorn; their dignity has been deeply hurt; they have been threatened, lied to, and their human rights have not been respected."

The Archbishopric -- which has openly supported the PAN -- added: "The people are victims of the arrogance of those who hold power, the people of Chihuahua have been left half-dead on the road."

The church -- which in Mexico is separated from the state and is proscribed from participating in politics -- and its faithful "could choose to remain passive and indifferent, but that would be complicity; that would be contrary to the truth, to justice and to the testimony of fraternal charity which the gospel demands from us," the document added.

"We believe it is our duty to stop -- as the good Samaritan -- before the injured, before our hurt people, to anoint them, not with oil, but with the word, with our solidarity, by protesting what is radically incompatible with our Christian principles, and by speaking out on behalf of our brothers who cannot voice their protest." [passage omitted]

CHURCH ACCUSED OF SUPPORTING OPPOSITION

PA142222 Mexico City EL DIA in Spanish 11 Jul 86 p 4

[Article entitled: "The Clergy Once Again Outside the Law," by Hector Ramirez Cuellar]

[Text] During the recent elections in Chihuahua, Durango, and Zacatecas, once more it has been clearly established that the high clergy are increasingly violating the Constitution. As the clergy have not found a firm response on the part of the government, which is in charge of applying the Constitution, they have played a more militant role in favor of the PAN [National Action Party]. With the latest reports published, especially in the foreign press, it is now absolutely clear that the PAN is nothing but a branch of the U.S. Republican Party.

Soledad Loeza, in a magazine article written about the PAN, has said that this party has become PRI's most important challenge. While the PRI grows older, PAN grows younger and is rejuvenated. PAN's electoral advance is also explained by that organization's prestige, which has maintained a continuous course of independent opposition. Because of its undefined program, it has picked up all the discontented and nonconformists. "Because of the so far unjust accusations of the PAN being an antinationalistic party, PAN has to be doubly careful on the handling of topics related to the United States." Instead of seeing PAN as an imperialist agent, it is necessary to block its way and put it back in its just proportion..." [quotation mark as published]

These analyses -- supposedly scientific and aseptic -- attempt to hide objective realities. For example, it is true that PAN has made some program changes, but these have not been of any importance. No changes have been made to its doctrinal principles, which are individualism and common good.

This in fact explains Archbishop Adalberto Almeida y Merino's Sunday religious ceremony where he said that PAN's ideology and program are the ones nearest to the church, and therefore he tacitly recommended that parishoners vote for that party. Almeida went much further, exerting political pressure, when he threatened PRI candidate Fernando Baeza with excommunication if he did not respect the popular will. To many believers, excommunication is the worst of punishments; therefore, it would be of grave moral concern.

In the state of Chihuahua the political factors not mentioned in the Loeza study are evident. The traditional PAN leaders have been displaced or substituted by great industrialists, businessmen, and bankers, who did not belong to any party before or preferred to exert pressure through the PRI or the government.

That PAN is not the one belonging to lawyers and accountants as we knew it 20 years ago, without disregarding the fact that there are still some professionals like these in the PAN. Now it is an instrument of the great economic groups, profoundly resentful because of the bank nationalization. As an example, Coparmex [Mexican Employers Confederation] President Bernardo Ardavin travelled to Chihuahua City to take sides with the attacks on the work of General Cardenas and all the positive things of the Mexican revolution.

PAN spent millions of pesos on the Chihuahua campaign, and the source of these funds cannot be the people nor the so-called middle classes. It is from the effective backing received from national and foreign economic groups. There were many minutes of television time, hours of radio time, dozens of pages in local and state newspapers.

To crown it all, that very same Sunday morning there were 600 meetings, as that was what the religious acts were turned into. It was obvious that the ecclesiastical hierarchy was acting militantly and dynamically, without the reticence and attachment to form of the past. Suddenly Almeida y Merino, Talamas Calamandari, and others abandoned the usual Jesuit language and spoke more like mass leaders, like political agitators, tearing into bits and pieces the republic's Constitution.

The bishops and archbishops published and distributed a document entitled "Christian Coherence" in which they openly exerted moral pressure so that parishoners would vote for PAN; Rev Dizan Vazquez promoted the churches "civil disobedience" activities, which incidentally ended in total failure; Father Andres Baeza prayed against electoral fraud (read as PRI) and Camilo Daniel Perez made notorious and permanent propaganda in favor of the PAN and PSUM [United Socialists Party of Mexico].

The PSUM, applying a policy of total coexistence with the right, transformed itself into one of the PAN's main apologists. Professor Becerra Gaytan on repeated occasions reaffirmed that the "democratic option" was not the left but the fascist messianic Barrio Terrazas.

Faced with the constitutional violations of Almeida y Merino and Talamas Calamandari, the Secretariat of the Government cannot just stand there and do nothing.

BRIEFS

BOLIVIANS ARRESTED FOR SMUGGLING -- Two Bolivian citizens, Eduardo Antonio Avaroa Leingue and Federico Juan del Castillo, were arrested at Mexico City's International Airport while trying to smuggle more than 3 kg of pure cocaine into the country. [Summary] [Mexico City UNOMASUNO in Spanish 28 Jun 86 p 11 PA]

NAVY ANTI-NARCOTICS CAMPAIGN -- Navy Secretary Admiral Miguel Angel Gomez Ortega has reported that in its permanent campaign against drug trafficking the Mexican Navy has burned 11,287 kg of marijuana and has confiscated 320 kg of the same drug. [Summary] [Mexico City EL NACIONAL in Spanish 2 Jul 86 p 6 PA]

COCAINE SEIZED -- Tijuana, 27 Jun -- Federal Judicial Police agents have seized a cocaine shipment worth $585,000 at this city's Abelardo L. Rodriguez International Airport yesterday. Interpol First Commander Salvador Peralta Perez seized almost 1 kg of pure cocaine from Jose Pena Mendoza, who also carried 525 grams of heroin. In addition, Leoncio Vega Correa, a U.S. citizen, was arrested for drug possession. He had come from California to pick up two people who were identified as 45-year-old Raul Gonzalez Mendoza and 19-year-old Alma Delia Guillen Vega, who were carrying 410 grams of pure heroin. [Summary] [Mexico City EL NACIONAL in Spanish 28 Jun 86 p 12 PA]

STUDENTS, DEFENSE FORCES CLASH IN COLON

PA151819 Panama City Televisora Nacional in Spanish 1743 GMT 15 Jul 86

[Text] This morning students of the Professional and Technical Institute [IPTC] located in Kativa, Colon Province, closed the Boyd-Roosevelt Highway, which goes to Colon City.

Today, at noon, Juan Sanchez, the general secretary of the Colon Regional University Center, reported over the phone that after the blocking of the this highway and the subsequent confrontation with members of the Atlantic zone Panamanian Defense Forces, 1 student was seriously injured and 10 others suffered minor injuries.

Meanwhile, in Colon City, the indefinite hunger strike staged by university and high school students continues. At the same time, to express their solidarity, students of the Abel Bravo School, of the IPTC, and of the University Regional Center met in front of the Colon governorship to express their support for the hunger strikers.

It was also reported that leaders of the Colon Teacher's Association met with leaders of the Colon student organizations during a visit to the students who are on their 6th day of hunger strike.

U.S., SOVIET ROLES IN NICARAGUA REVIEWED

PA152248 Panama City LA ESTRELLA DE PANAMA in Spanish 14 Jul 86 p A-4

[Editorial: "Why the USSR and Not the United States?"]

[Text] The whole world has witnessed a huge wave of protests after the U.S. Government approved $100 million in aid for the Nicaraguan rebels fighting the Sandinist government in that Central American nation. Important world public opinion organizations such as the honorable court of The Hague have not spared their unfavorable remarks regarding the U.S. President's decision. His action has been described as being an intervention in the internal affairs of another country, as an openly provocative U.S. action and as being the herald of an invasion of that country governed by communists.

For the common observer, the points of view that have been expressed regarding the U.S. aid are really visible. The nature of a democratic regime like that of the United States undoubtedly allows for all of its official actions to be known in full detail. That is why everyone has learned about President Reagan's request, including its vicissitudes, discussions, and final approval. However, the world has not been informed in the same manner of the economic aid, of the sophisticated weaponry and of all the Marxist literature that the USSR has given Nicaragua to maintain the communist Sandinist government in that nation.

Despite the fact that there are no complete details of the Soviet-aid -- due to hermetic control of information in communist countries -- the world is aware that Nicaragua is being economically and militarily supported by the USSR. Nevertheless, no one talks about this situation, and there are no condemning remarks of any type. Does this tell us that the United Stats cannot fight for democracy on the continent and defend those who uphold its principles? At the same time, is it permissible for the Soviets to extend their tentacles into our continent, to surreptitiously supply all the weapons possible to achieve their goals and to continue promoting armed conflict in the area?

The whole world is aware of the fact that the Soviets are supporting the Nicaraguan regime. It is perfectly well known that its leaders receive their orders from the Soviets. Many organizations that lend themselves to this game do not condemn this situation. However, when the United States makes the same move, they come out of their den to make all types aof condeming remarks against the U.S. Government. What difference is there between the open and public aid that the United States gives those people fighting the Sandinist government, and the surreptitious aid that the Soviets give the Sandinists? In our judgment, the difference lies in the fact that the United States gives it openly with sincerity and frankness, while the USSR gives it secretly with hypocrisy and cynicism.

Both the USSR and the United States are equally responsible for the internal armed conflicts in the world. If the Soviets are supporting the shameful, totalitarian, and communist regime in Nicaragua, the United States is right in attacking the most appropriate fronts to achieve the establishment of democracy in the country and in the area. That is why we do not see any reason for so much fuss, and for saying yes to the USSR and no to the United States.

COSTA RICA

TRADE SUSPENDED WITH GUATEMALA 14 JULY

PA160257 San Jose Radio Reloj in Spanish 0100 GMT 15 Jul 86

[Text] Economy, Industry, and Commerce Minister Luis Diego Escalante announced during a news conference that free trade with Guatemala was suspended as of this afternoon [14 July]. He said that the decision was adopted because it had been agreed that a high-level mission would come from that country to San Jose today to seek a solution to the trade problems. Nevertheless, he said, the trip was cancelled at the last minute because of labor problems at the Guatemalan Central Bank. This is considered a poor excuse.

Beginning tomorrow, the borders will be closed to all products coming from the Guatemalan market, the economy minister said. He emphasized that as a result of this, our authorities must first be consulted by anyone who wants to bring Guatemalan products to our country. Nevertheless, he emphasized, President Oscar Arias' government is interested in continuing negotiations for a satisfactory settlement with Guatemala.

Given that there is no [as heard] trade between the countries in the region, there is no CACM right now, Luis Diego Escalante stated. He indicated that in Costa Rica's case, direct trade is only working with Nicaragua, and this is being regulated given the delays in payments. Consequently, he said, the trade [words indistinct] one on one basis; in other words, $1 worth of products is bought for every $1 sold. This represents a practically null relationship.

Guatemala currently owed $70 million to Costa Rica in trade operations, the economy minister stated. He specified that $58 million of this is documented, $7.4 million is the overdue documented debt, and $2.5 million is not documented. He reported that on 30 June our country exported $16 million worth of products to Guatemala and purchased $24 million. this represents a surplus of $8 million in favor of that nation.

EL SALVADOR

DUARTE SAYS NOTHING NEW IN FDR-FMLN PROPOSAL

PA152212 San Salvador Canal Doce Television in Spanish 1200 GMT 15 Jul 86

[Text] President Jose Napoleon Duarte last night said that the FDR-FMLN proposal does not include anything new and that it is similar to the one presented in Ayagualo in 1984.

[Begin Duarte recording] This proposal is exactly the same document they presented in Ayagualo, the same 2-point document they presented in Mexico, the same 4-point document. This is to say, the language used has been changed, yet it is the same thing. With their proposal, they do not recognize the government, the Constitution, or the Armed Forces, and they want to form a new government. In other words, the proposal repeats what Villalobos has said, that they do not recognize the Constitution, the government, the Armed Forces, the elections, or democracy. This is what the document amounts to. It perhaps uses different language, but the idea is the same. There is no difference between this proposal and the one that they presented at Ayagualo. [end recording]

In addition, Duarte denied the existence of fundamental differences between the government and the opposition about the dialogue and pointed out that what really counts is that for the first time all political sectors are analyzing the position that the government must assume regarding the guerrillas.

[Begin recording] I think the dialogue has already begun. It is important that for the first time various national sectors want to express their views about the dialogue. This is the way to seek a national consensus which is fundamental to achieve peace in the country. Although it does not recognize the foundations of the country's Constitution, the rebels proposal permits the various national sectors to express their views. I have been asked whether there are disagreements about the dialogue between the government and the other parties. It is only natural for these disagreements to exist. We have lived all these years in a conflict in which faith and mutual trust have been lost. This is the most important effort that we must take to create the bases for a pluralist democracy in the country. [end recording]

Also, the president denied the existence of unrest in the Armed Forces due to the release of trade union leader Jebe Elizabeth Velasquez.

FDS'S UNGO ON DIALOGUE VS. POLITICAL AGENDA

PA152323 San Salvador Radio Cadena YSU in Spanish 1800 GMT 14 Jul 86

[Report by Carlos Fabio Marquez]

[Excerpt] In the last few days, various opinions have been expressed with regard to the third meeting for peace between the guerilla fronts and the government of President Jose Napoleon Duarte. One of the most recent remarks about this was President Duarte's statement in San Francisco Gotera on Saturday, when he invited Commander Joaquin Villalobos [of the FMLN] to hold a face-to-face dialogue. President Duarte also urged Shafik Jorge Handal [FMLN leader] to seek a political solution and to give up his weapons.

We have spoken with FDR President Guillermo Manuel Ungo on the telephone. He initially stated on Thursday [as heard] he met with [San Salvador Archbishop] Msgr Arturo Rivera y Damas in Colombia after Pope John Paul II's visit. In this regard, and mainly on the document issued by the fronts on Friday, Dr Ungo speaks to us:

[Begin recording] [Ungo] We wanted to explain to the Salvadoran people that in an effort to achieve the holding of this third meetng, Companeoro Ruven Zamroa, vice president of the FDR, and, as FDR president, went to Bogota 10 days ago to meet with Msgr Rivera y Damas. Two weeks ago on Thursday we met with him in Bogota, precisely when his holiness, the pope, was there in Colombia. We spoke at length with the monsignor. Therefore, we believe that our efforts, and the role played by the mediator will make this next meeting possible. We have returned, satisfied with the talks that we held with Msgr Arturo Rivera y Damas. He continues to express interest and concern, and he offered to undertake efforts so that this new opportunity to reopen the dialogue will not be lost.

Now then, referring to the political proposal that we have issued. We believe that it must be separated from the dialogue and negotiation with the Salvadoran Government. They are two things that affect and influence each other and are linked, but they are different.

We have issued a social proposal to the nation as a whole. We have issued it to all social, political, economic, religious, and cultural sectors of the country because we are experiencing a national conflict that affects all national sectors and in whose solution all must participate.

Therefore, the proposal is independent of the development and the agenda of the dialogue and negotiation with the Salvadoran Government. We have proposed and we have accepted an initial agenda of dialogue and negotiation with the Salvadoran Government which includes the points we agreed upon with the government in La Palma and Ayagualo. In La Palma there was talk of undertaking a step-by-step process in various aspects, including those of the continuation of the dialogue, the participation of the various national sectors in the dialogue, and the humanization of the war. Duarte has accepted the La Palma agreements as the starting point. Therefore, this is a modest agenda. We should not have great expectations about it or a triumphal spirit. It is a difficult and lengthy process that in any case seeks to shorten the conflict and reduce its human, social, and economic costs.

Regarding the social and political proposal to the entire Salvadoran nation as a whole, to seek a solution to the conflict, we began to work on this before there was this possibility of reopening the dialogue; in other words, when the dialogue had been interrupted for more than a year. It is an offer to the Salvadoran people as a whole. We believe that they are the main protagonists of a political solution and that therefore, they should guide, influence, and exert pressure on the negotiations between the government and our fronts. However, the proposal goes beyond that negotiation. It is what could bring about a national consensus and an agreement on a formula for a political solution. That is why this proposal is not a final formula or a definite and complete prescription.

Instead, it contains the main elements that we believe can serve as a foundation to find a solution to the conflict among all the various social and political sectors. Therefore, it is a responsible and flexible proposal. It is a proposal that is open to discussion and that can be reformulated, modified, corrected, and improved. We think that it will show without any exclusions -- with the exception of those who want to exclude themselves because they do not want democracy or pluralism -- which forces want to participate in a national solution of a broad consensus. We also think this falls in line with what we are seeing on the national scene, where various political, social, and trade union organizations are expressing their opinions. We believe their opinions must be considered by our fronts and the government in order to solve the conflict. In sum, that is an explanation of the proposal that we recently released nationally and internationally.

[Marquez] Dr Ungo, on Saturday President Duarte asked Commander Joaquin Villalobos for a face-to-face meeting. Likewise, he asked Shafik Jorge Handal not to let Joaquin Villalobos manipulate him and to try to find a political solution to the conflict. What are your views on Duarte's proposal, considering that your proposal was disclosed Friday night?

[Ungo] They are hardly serious, rash, and also contradictory, because that is what we are proposing. [sentence as heard] Immediately after -- 48 hours after -- Duarte made his proposal for a third meeting we named a delegation. Commander Joaquin Villalobos is part of that delegation. Another member of the General Command, Commander Leonel Gonzalez, is in it. Therefore, Duarte cannot ask for a higher level than the one we are sending. Moreover, we are not telling him who to bring to the meeting. Therefore, these views are rash and not serious.

At any rate, this means that Duarte is accepting and ratifying his offer. I feel that the fact that he is planning to meet with us and Commander Villalobos is positive. He is going to realize that our offer is a concrete indication that no one manipulates anyone in our fronts, but rather that we reach agreements. These agreements are clear, flexible, realistic, and responsible. They allow us not only to understand each other, but to reach greater understanding with other political and social forces in the country.

[Marquez] One more question, Dr Ungo. Through Radio Venceremos the guerrillas have recently accused Msgr Rosas Chavez, in particular, of being biased and subservient to the government's stances. And also, do you think the talks will be held on 30 July as you have proposed, or will they take place in early August?

[Ungo] To us, the date is not the chief issue. We said that we should adhere to the spirit and the terms of Durate's proposals, which mentioned late July or early August. We made a proposal, and we remain open to a counterproposal. We see that there are great difficulties in holding the talks in late July because Archbishop Rivera y Damas has not yet returned to El Salvador. In any case, we are open to holding the meeting in late July or early August. We have adopted a flexible stance. Our relations with the archbishop are based on good understanding inasmuch we continue believing and trusting in his role as mediator -- as the FDR and the FMLN have clearly stated.

Regarding the criticism against Msgr Rosas Chavez, these are the FMLN's views. In some instances we share these views, in others we differ. However, this does not affect the role of the mediator, that is, the San Salvador archbishop. Still, we want to make it clear that whenever the church or its officials enter into the earthly field of political realities, they are no longer talking ex cathedra. They are accepting political discussions as a fundamental aspect of democracy. Therefore, the criticism against Msgr Rosas Chavez must be chiefly viewed within that context, as a natural and normal development of democracy and political freedoms in which we may agree and disagree. The main thing is that we continue trusting, believing in, and supporting Msgr Rivera y Damas in his role as mediator. [end recording] [passage omitted]

GUATEMALA

CEREZO APPOINTS NEW NATIONAL POLICE DIRECTOR

PA150306 Panama City ACAN in Spanish 2345 GMT 14 Jul 86

[Excerpts] Guatemala, 14 Jul (ACAN-EFE) -- President Vinicio Cerezo today appointed a colonel as the new director of the National Police to replace a man trusted by the president who fought against corruption in that security group for the past 6 months. Government Minister Juan Jose Rodil Peralta said that Army Colonel Julio Caballeros Signe today will replace Zuchini Paiz, who took over the General Police Directorate last February. Rodil Peralta said the Christian Democratic president accepted Zuchini Paiz' resignation as director of the police institution, presented yesterday for "personal reasons" and not due to "friction with the Government Ministry." The government minister said "Zuchini Paiz had and still has the trust of President Cerezo and myself." [passage omitted]

The government minister reported that President Cerezo decided to remove Roberto Antonio Pastro Cojulun from his post as inspector general and third in command in the Police. Rodil Peralta said that Pastro Cojulun will be replaced today by Officer Daniel Mendez Soto, who worked in the police force for 43 years and is currently retired. [passage omitted]

HONDURAS

AZCONA SAYS COUNTRY NOT PREPARING FOR WAR

PA152309 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 14 Jul 86

[Excerpts] In regard to President Jose Azcona Hoyo's visit to San Pedro Sula, we want to report that, among other things, he said that the road to peace in Central America goes through Managua, not through Tegucigalpa. [passage omitted] During a news conference with the local media, President Azcona also said that it is not true that the Honduran people have lost faith in their political leaders. President Azcona said: I think that much is said on behalf of the people, but nobody has questioned the people in regard to the faith they have in their leaders. I think that I still have a great deal of credibility on the part of the Honduran people. Similarly, he said that the frequent calls made by the Armed Forces in regard to the military recruitment do not mean that Honduras is getting ready for a war. There is a law that establishes that Hondurans at a certain age must comply with the compulsory military service. [passage omitted]

MSGR VEGA DECLINES RETURN ON SANDINIST TERMS

PA152127 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 14 Jul 86

[Report by Danilo Antunez]

[Excerpt] Yesterday Nicaraguan's Msgr Pablo Antonio Vega, vice president of the Nicaraguan Episcopal Conference, celebrated a mass at the church of the Virgin of Suyapa. Approximately 300 Nicaraguan exiles attended the mass. At the end of the mass, Msgr Vega made exclusive statements for Radio America.

Regarding his response to the proposal made by the Nicaraguan Government for him to return to Chontales if he stops criticizing the Sandinist regime, Msgr Vega said that it is not worth returning to Nicaragua if he has to keep his mouth shut. Msgr Vega added that he is talking to the Honduran Catholic authorities in order to remain in Honduras, working with Nicaraguan refugees. He added that on Wednesday he will visit the refugee camps in El Paraiso and that next week he will travel to Rome to meet with Pope John Paul II. [passage omitted]

BRIEFS

AMBASSADORIAL APPOINTMENTS -- Teguciglapa, 12 Jul (ACAN-EFE) -- The Honduran Government officially announced today the appointments of its new ambassadors to the FRG, Nicaragua, Belgium, and the United Nations. Alejandro Rene Mayr will present his credentials to the FRG Goverment late this month. Colonel Rigoberto Regalado Lara will head the Honduran Embassy in Nicaragua; Manuel Lopez Luna has been appointed ambassador to Belgium and the EEC; and Roberto Martinez Ordonez has been appointed ambassador to the United Nations, replacing Roberto Herrera Caceres. [Summary] [Panama City ACAN in Spanish 1606 GMT 12 Jul 86 PA]

NICARAGUA

HUMBERTO ORTEGA AWARDS MILITARY PROMOTIONS

PA151940 Managua Domestic Service in Spanish 1620 GMT 15 Jul 86

[Speech by Defense Minister Humberto Ortega, to commemorate the anniversary of the death of Julio Buitrago, to present military promotions, and to inaugurate the Jose Benito Esocabar Central Construction Base of the EPS in Managua -- live]

[Text] Brothers of the National Directorate, Tomas Borge Martinez and Victor Manuel Tirado Lopez; brother Sergio Ramirez; borthers of the Sandinist Assembly and of the General Staff; bothers of the Interior Ministry; brothers of our government; special guests; dear brothers, relatives of our promoted officers; companeros workers:

We are inaugurating this central construction base of the EPS today with Companeros Tomas and Victor Tirado Lopez, members of the National Directorate who began the process of forging, creating, and founding the FSLN along with Carlos Fonseca and Jose Benito Escobar, and in the presence of the vice president of the republic. This central construction base is a very big effort that our revolution has undertaken to give our Army better possibilities to strengthen our troops which today face the unjust aggression of the current U.S. Administration.

We are also very honored today to have among us the mother of our dear member of the National Director, Jose Benito Escobar. She has unveiled the plaque with his name engraved at the base.

Today in the United States, Mr Caspar Weinberger is scheduled on the 15th and the 16th [words indistinct] meet with well-known chiefs of mercenary forces including its mercenary forces that attack the Nicaraguan people. Therefore, there are two types of meetings today, that of the revolutionary leadership, which we represent, with the sons of the people in the EPS, and that of Mr Caspar Weinberger, U.S. secretary of defense, with the sons of Reagan.

We are a few days from marking the seventh anniversary of the Sandinist people's revolution. Our people organized in its defense, both through the EPS and the Interior Ministry, have guaranteed our reaching this seventh anniversary.

The U.S. Administration cannot conceive that today, despite the unjust and criminal aggression against the Nicaraguan people, we are inaugurating this Army construction complex. The most reactionary sectors of the U.S. Government cannot conceive that we are just a few days away from celebrating 7 years of free and independent life. They cannot conceive how the revolution, amid their cruel aggression and despite the underdevelopment inherited from the past exploitation, they cannot conceive how the revolution, despite having received an underdeveloped country ruined by the liberation war and the popular insurrection to oust the Somozist dictatorship, they cannot conceive how an underdeveloped country ruined by that popular war as well as by natural disasters such as the 1972 earthquake, is on the verge of marking its seventh anniversary. They cannot conceive how hundreds and hundreds of thousands of millions of dollars, which they have invested in their war of aggression against Nicaragua, how those hundreds and hundreds of thousands of dollars have never paralyzed not one millimeter of the advancements made by the revolution.

If one deeply evaluates the complex situation in which the Sandinists have been slowly changing the Nicaraguan reality to gradually build the new society, and if one deeply understands how difficult this process of revolutionary change is, one will then understand the great moral and revolutionary spirit, strength, and potential of the Nicaraguan people in making this revolution and these changes a reality.

Let us try to think for a moment about another Latin American country that is more developed than ours -- ten times more developed than Nicaragua and with fewer problems. Let us think for a moment about a country like this one, subjected to cruel aggression, shameless U.S. aggression, and we will see that it would be very hard for such a country to face such aggression unless it has a revolutionary people and leadership such as the Nicaraguan people and leadership which are firmer than ever.

Therefore, the great achievement, 7 years after the revolution, is not only the fact that the revolution is still surviving this one-sided war of aggression that is being increased by the U.S. Administration, but the fact that we are advancing -- little by little and despite the many difficulties and defects that our revolutionary process may have -- in the transformation that enables us to change the past and build our future.

This is the big achievement of our revolution. This is what the U.S. Administration does not want. It does not want the consolidation of this in the upcoming months and years. Today the U.S. Administration wants to destroy this people's achievements by directly using its CIA apparatus and by placing its troops stationed in Honduras and Costa Rica in a more direct intervention position.

It must be noted that in the face of the defeats that our people have been dealing to the U.S. mercenary forces, the U.S. Administration has had no other recourse than to increase its interventionist war by giving carte blanche to the CIA's gloomy plans and strengthening the theater of Central American military operations in order to threaten, intimidate, and blackmail the revolution with the menace of a direct intervention.

Of course, the reasonable path for the U.S. Administration to follow would be to support the peace efforts of the Contadora Group and thus put an end, once and for all, to this tragedy which has claimed the lives of more than 30,000 Nicaraguans since Ronald Reagan assumed office.

Nicaragua wants peace, and for this reason it has given all its support, through our government and its diplomatic efforts, to the Contadora Group and its Support Group. This is the path. This is the moment that the U.S. Administration should use in the face of the irreversible defeat of the mercenary forces which, operating with every type of support from Honduras and Costa Rica, have been unable to develop their plans to liberate large territories. According to these plans, in this year 1986, they should already be here where our people are as part of the EPS.

Our people, the poor peasants, the city's workers, our people, and the youths, mainly, have prevented the U.S. mercenary forces from being here in Managua today. They have prevented these forces from trying to impose a past which the revolution of 19 July 1979 left behind forever.

Our government has reiterated its support for the peace process, but what will the Nicaraguans do? What will the EPS members do? What will the companeros of the Interior Ministry do? What will the companeros of the State Security Office do? What wil our people organized for defense do while the U.S. Administration comes to the realization that it must accept the defeat of its mercenary forces and support peace? Are we Nicaraguans going to trust that fact that one day, one sunny and pleasant day, Mr Reagan is going to wake up and say: Well, this is it. I am not going to continue killing children and civilians like the more than 500 civilians who fell victim in the past 6 months of 1986.

They were killed by Mr Reagan's mercenary bands. Do you think that Mr Reagan, Caspar Weinberger, and all the other reactionaries of the U.S. Administration are going to wake up one morning thinking that they are going to pardon the Sandinists and that they are going to do them the favor of stopping the war? Do you think that one morning these gentlemen are going to wake up regretting the deaths of more than 30 children, who have been killed by their mercenary forces so far this year? Do you think that Mr Reagan is going to deplore the death of the five young girls who were killed by the mercenary forces that are organized, financed, directed, and are currently strengthened with the presence of Latin American mercenary agents -- Cuban worms and worms of other nationalities -- who are in the CIA's sinister structure.

Do you think that this revolution is going to depend on the whims and temperaments of the officials of the U.S. Administration? No. This revolution will depend on, in the first place, these working people, the descendants of Jose Benito Escobar Perez, the youths like Julio Buitrago who knew how to defend -- just as we are defending now -- dignity, the homeland, and the interests of the revolution, which are the people's interests, with weapons, with more organization, with more courage, with more boldness, and with amore implacable fist to crush our enemies.

Mr Weinberger meets with the chiefs of the mercenaries. We meet with the people. However, we, the Nicaraguans, as I said before, are not going to be overconfident for one instant. Concurrently with the efforts maintained and which our government continues to maintain in the diplomatic and political frameworks, we will in the next few weeks and the next few months, under the state of siege to which Nicaragua is subjected -- because let us remember, and we have pointed this out before, Nicaragua is being subjected to a true siege, as our friend Jose Figueres [former president] from Costa Rica pointed out, when he was awarded the order of Augusto Cesar Sandino. We are truly being besieged by military aggression from across the borders, with the constant naval and air espionage patrols by the United States, with all the preparations that the United States is carrying out in the military operations theater, and is now increasing, especially in Honduras, in La Mosquitia, in Mocoron in Yoro, in La Ceiba, in El Aguacate, in Palmerola, in Isla del Tigre, in Isla El (?Mole), in Choluteca, in El Paraiso, in Olancho, and in fact, in most parts of the Honduran territory various measures are being strenghthened in the theater of military operations to manage forces on a larger scale and level by the United States.

In the last few weeks they have been improving the radio-electronic systems to direct larger U.S air and naval groups against our territory. The United States is also hurrying to try to maintain the mercenary forces as a front to maneuver through them to create what they have termed a provisional government. Apparently, the idea is to create it in the most remote areas, which are most difficult to reach by our troops, such as in norther Zelaya, the Honduran Mosquitia, and the northern Zelaya sector of Nicaragua.

You can make many plans, imperialist genetlemen of North America. You can make as many plans as those that have already failed as a result of the tenacity of our armed people, the tenacity of our people who work in the fields and the factories. You can make many plans, imperialist gentlemen, to strengthen the siege against Nicaragua, but we are certain that in the face of this diplomatic, political, and military siege in the face of this siege that diminishes financial resources, that obstructs our commercial relations, in the face of our people, here in Nicaragua there is a growing iron resistance to make the criminal and counterrevolutionary siege fail.

Therefore, the task which the Army has, the task which the people have for the next few weeks and months will be tasks under conditions even more difficult than the conditions we have been obliged to endure so far.

However, are the Nicaraguans going to surrender to this crude reality that we must face in the future? It is true we have sustained thousands of deaths, thousands of victims, as a result of this criminal war of the United States against Nicaragua. It is true that we have shed much blood and sweat to keep the Nicaraguan revolution alive. It is true that we have cried with the mothers of our heroes and martyrs, such as the mother of Jose Benito Escobar, or the mothers of the youths mobilized into the service, or the reservists who have fallen in the fulfillment of their duty when they were mobilized, or the militias that have also fallen in the defense of the homeland, or the fighters of the Interior Ministry who have also shed their blood beside their heroic brothers in the Army.

It is also true that we have shed tears over the suffering of our people, but our people also smile, our people also sing of their victories, our people are not going to kneel to mourn the injustices and cruelties of the war. Our people are not going to prostrate themselves, our people are going to continue crying for our martyrs and will continue singing their victories. Our armed people, Mr Caspar Weinberger, will never surrender to your mercenaries or to your U.S. troops, if they dare invade the sacred soil of our homeland. [applause]

What can the revolution give our 3 million Nicaraguans after 7 years? What can the people give themselves after 7 years of revolution, starting from a backward country that has been ruined by the war and the injustices of yesterdays's exploitation? What can our people construct in 7 years of revolution in the midst of a war and an economic crisis that principally affects the small countries, such as Nicaragua? Is it possible that in 7 years of revolution the people could construct and produce an abundant material surplus to solve the hundreds of material, economic, and social problems that the Nicaraguan people are still enduring, that our officers and soldiers are enduring?

This revolution has, in spite of everything, been solving, whenever possible, the needs of the people. Those who complain most here are those who were better off yesterday, and logically, the material, economic, and social situation that we have now is not what the revolution aspires to. The revolution aspires to solve the basic economic and material problems of the people in the next few years as a basis to construct a wealthier and more just society for the enjoyment of our people, the majority of our people, and not the small group of scoundrels, hierarchs, liberal-conservative oligarchs, Robelos, and other bandits who want to turn Nicaragua back to the past.

Today, companeros, we have to be more united than ever. We carry out these promotions in our EPS -- a central ceremony with which we symbolize the process of promotions in our entire Army -- convinced of our victory. We conduct this promotions ceremony with faith in our victory, precisely at the moment we are increasingly and definitely defeating the mercenary forces. At the same time, we are building a modern Army, we are building a modern institution. We are building installations such as the one we are inaugurating here today. These installations are the result of the process of consolidation of our Armed Forces. This means that we are defeating the mercenary forces. Imperialism was not only unable to save them from their defeat, but it was also unable to stop the process of building up the modern Army of the people.

For this reason, with the conviction derived from these 7 years of revolution; with the victories experienced in the battlefield -- where the mercenary force is being strategically defeated -- with the certainly of the institutional progress made by our Armed Forces; and with the Nicaraguan people, thier morale higher than ever, let us say today, just like they did yesterday, companeros and brothers of the EPS here entrenched, let us say, like Julio Buitrago did, in this great house of security called Nicaragua; today, together with Julio Buitagro, and Jose Benito Escobar, let us say: Victorious Nicaragua neither surrenders nor sells out. Free fatherland or death. [applauses]

BORGE COMMENTS ON U.S. PLANS' MSGR VEGA

PA150233 Managua Sistema Sandinista Television Network in Spanish 0230 GMT 14 Jul 86

[Speech by Interior Minister Commander Tomas Borge Martinez during the official opening of the international symposium on Indian state's autonomy and rights at the Cesar Augusto Silva Conventions Center in Managua on 13 July -- recorded]

[Excerpts] Dear companeros: Allow me to participate in the [words indistinct] of more than 100 delegates to this symposium and numerous special guests on behalf of Daniel Ortega, our comapnero and member of the National Directorate, commander of the revolution and president of Nicaragua; Commander Luis Carrion, National Directorate member; all the members of our highest revolutionary FSLN [?leadership]; all the companeros who presided over this event; Father Ernesto Cardenal; Guerilla Commander Lumberto Campbell, coordinator of the FLSN regional committee in South Zelaya; Commander Jose Gonzalez Picado, coordinator of the FSLN regional committee in Northern Zelaya; Companero Ray Hooker, coordinator of the National Autonomy Commission; Companero Armando Rojas, coordinator of the regional autonomy commission in Northern Zelaya, Special Zone 1; Companero Johnny Hodgson, coordinator of the regional autonomy commisson of Southern Zelaya, Special Zone 2; Dr Myrna Sullivan, minister delegate of the president in Northern Zelaya; Tomas Gordon Campbell, minister delegate of the president in Southern Zelaya; Hazel Lau, representative of the National Assembly and member of the National Autonomy Commission.

I also greet the companeros who will participate in the youth's meeting to be held in Managua and our brother Msgr Sergio Mendez Arceo, who came for this symposium and the 19 July commemoration. He suffered a small accident yesterday or the day before yesterday, when he hurt his foot. [passage omitted]

Some -- sometimes due to their ignorance or our particular historical development or out of wickedness -- either believe or want to make believe that all our ethnic-social problems are of a recent nature, that they mysteriously emerged in the early morning hours of 19 July [1979]. In truth, the roots of the numerous problems of our Atlantic Coast are much older than Reagan, and that is saying a mouthful. They date back to the unfortunate days of colonialism, traitorous governments, and dictatorships that knew nothing about pity. The Sandinist people's revolution brought to that region a huge release of social forces, creative will, and demands that until then had remained [?divided]. It was inevitable that contradictions should emerge with this expansion of sociocultural vitality of the people of the coast. True -- and we have admitted this with the courage that accompanies honesty -- at some point we were not prepared to fully understand this rebirth, and the lurking historical enemy of the Nicaraguan people and of mankind tried to take advantage of the conflicts.

There are various contradictions in the Atlantic Coast, the most relevant of which are the peace projects and the war projects. [passage omitted] The solution to these contradictions is not algebraic or simply anthropological, it is essentially, and without the trace of a doubt, of a poltical nature.

Imperialism has military strategies to direct the criminal hordes, to estimate in their deadly computers the number of casualties in the event of an interventionist adventure. It has businessmen and certain priests to head the ideological task forces, as well as sociologists and anthropologists to help in the [?destabilization] of our social construction. Within the overall strategy of the U.S. counterproject, the Atlantic Coast has been strategically selected and is of great importance. We cannot but suspect that there are serious contingency plans connected with this important region.

The U.S. strategy stresses, among other aspects, the military counterrevolutionary activity, to which end Miskito military units are organized. The U.S. Congress has granted $5 million specifically for the counterrevolution in the Atlantic area. Also, a part of the millions granted to the FDN are destined for the Atlantic Coast, as well as sizable portion of the funds directly handled by the CIA for its covert operations. This is equivalent to attacking peace and the autonomy process with premeditation.

Even more relevant are the U.S. preparations in Honduran territory, especially in Honduras' Atlantic Coast, where they are creating a military body that is aimed at the heart of Nicaragua's Atlantic area. [passage omitted]

State and military intelligence sources have informed us that in recent weeks food and ammunition supplies for the counterrevolutionary forces have been increased and that these forces have consolidated their training camps. Photographs of these camps have even been released to the public and preparations that objectively improve the conditions for launching an aggression have been stepped up. it is foreseeable that in the next few weeks and months, provocations form their bases in Honduran territory will increase along the Coco River area, on the Honduran-Nicaraguan border, in order to create incidents that will make it possible for the Honduran Army and the U.S. troops to intervene. [passage omitted]

No one can predict the price that the Nicaraguan people would have to pay for a direct intervention of U.S. troops, and naturally, since we are not expecting this mounting threat to go away, we are preparing to respond with our people in arms. The invading soldiers will also pay a price that they are in no condition to foresee despite their historic experience, their sophisticated information, and their equations. No thermometer can measure the temperature of a people who have been called to action. No one can predict the price that the Latin American peoples would have to pay. It is probable that the criminal leaders are in no position to evaluate the Latin American people's indignant and violent reaction.

The U.S. leaders contemptuously view our people's formidable strength as well as the peoples' immense capacity to respond to those who dare mistreat them. The U.S. leaders seek to artificially change reality, which they observe through distorted mirrors. They confuse what is known as a system of values, they view men contemptuously and use them. So it was not surprise when all of a sudden, one morning, the U.S. Administration realized that the Miskitos were human beings. In a past that is still fresh in the national memory, both Miskitos and blacks were cheap labor for cutting lumber and engaging in gold mining. [passage omitted]

Yet, all of a sudden, the genocidal killer of American Indians, Buffalo Bill, in his White House office decorated with the scalps of redskins, discovered that the Miskitos are men, now the victims of Sandinist genocide. Since then, large resources have been allocated to organizing their army, a counterrevolutionary army. A red Christmas is planned, they are supplied with weapons and disinformation, and they are encouraged in an effort to divide our territory as well as the Nicaraguan people. [passage omitted]

Dear comrades, it is absolutely untrue that we persecute religion. However, the argument that Reagan has used throughout the world is true: Catholic Church leader, a bishop of an attacked country....[changes thought] We are a country which bleeds with tens of thousands of war victims, dead youths, and mutilated children, which defends itself from the political stubborness of an administration that rejects negotiations and only advocates the solution which would lead to a holocaust.

Under these circumstances, which have been particularly worsened by the approval of $100 million, the same person who traveled to Washington to demand and justify financial aid for continuing the war and annihilating our people, thus becoming an accomplice -- or, worse still, a co-author -- of the Reagan administration's policy, in a defiant act called the national and international news media not only to encourage the aggression but also to criticize the International Court of Justice's ruling which condemns Reagan's administration; this took place a few hours after President Daniel Ortega warned that the state of emergency would be intransigently [intransigentemente] enforced. This defiant act occurred a few hours after the government's warning had been issued; likewise, 34 Nicaraguans, including 12 women and 12 children, were murdered a few hours later.

However, I should not be the one to talk; you must learn about his words and actions. That person asserted: The invasion from one side is necessary, due to the invasion being carried out from another side. The chruch and the people are not responsible for this, only those who have provoked it. In other words, and even though it seems incredible, the Nicaraguan people are the agressors and the U.S Government is the victim. The same person added: I am surprised that a court of such an international character does not act at a universal level, because if we analyze things from the viewpoint of human rights and the people's rights -- not the parties' and the governments' rights -- then it would be worthwhile to analyze the aggression that we are suffering from western imperialism.

In other words, he misconstrues the character with which Nicaragua and the Nicaraguan people appeared before the highest international court of justice, disregarding the legal norms which guide its actions. He is uncomfortable with the Nicaraguan people's reactions to the aggression and states: We are disturbed by the pressure which is being exerted by the Sandinist Army nowadays; that is what disturbs us. He points out, with the utmost disrespect and defiance, that the counterrevolutionary forces armed by Reagan are simple citizens who cannot take it any longer. He is talking about the armed counterrevolutionaries. We agree about this last thing, these counterrevolutionaries cannot take it any longer.

What can we do under these difficult and complex circumstances, and in view of such a violation of the law and decency? What was the revolution's alternative? There are those who assert that this monsignor was provoking us, that he laid a trap, but the problem is that the nation's honor, the revolutionary government's authority, the respect for our law, and the Nicaraguan's sorrow were at stake. Many messages have been issued by certain episcopal conferences and even from certain people concerning this case. Their concern is understandable and a reply is being prepared. We are certainly the most concerned of all; nevertheless, the situation concerning Bishop Vega is much less worrisome than the crimes being perpetrated against our people. Most of our people are Christians, most of our people are revolutionaries; therefore, the violation of laws concerning a concept that may very well be described as treason to the homeland represents an insult and disrespect for those majorities.

We can disagree with a government's actions, but we are morally forbidden to join forces with another government to oust the first one, particularly if it is [16-second break in transmission] Congress and Reagan explicitly confess that his words were decisive for the approval of aid to the counterrevolution. One can even think that those words were decisive for the approval of the millions for death. In fact, whoever does not understand this is naive or is orchestrating an event in favor of Nicaragua's enemies. The life of a boy, the life of a Nicaraguan is much more... [corrects himself] incomparably more valuable than a right which has been temporarily suspended, as all the rights have been temporarily suspended, as long as the counterrevolutionary aggression continues.

There is no logical proportion between this event and the bloody drama in Nicaragua. In fact, there is yet to be a proportion between the magnitude of the imperialist crime, Reagan's active and persistent role, and the solidarity reply which the Nicaraguans have received up to this day. The unavoidable mistakes which have been committed do not justify mass murder against the Nicaraguan people or support of the U.S. President's role as international filibusterer. I believe no one can deny us the right and duty to defend ourselves; and we will continue to defend ourselves in whatever way we can, with the strength of the law and within the revolutionary legal framework, without hesitation, with absolute firmness, and with the strength of the law. [passage omitted]

GATT PANEL MEETS TO DISCUSS MANAGUA DEMANDS

PA160243 Managua Radio Sandino in Spanish 1200 GMT 15 Jul 86

[Text] Nicaragua has repeatedly demanded compensation for the damage suffered due to the economic embargo imposed by the Yankee government.

Foreign Trade Minister Alejandro Martinez Cuenca told this radio station that this morning the GATT panel, formed by Spain and Indonesia and presided over by Norway, met again to discuss the issue of the illegality of the commercial embargo imposed by the U.S. Administration in May 1985. In this forum, which meets in Geneva, Nicaragua is represented by Alicia Pereira, ambassador to the GATT, Martinez Cuenca said.

In this second meeting of GATT panel members, Nicaragua presented a third document, the decision of the International Court of Justice in The Hague, which stresses that Nicaragua does not pose a danger for U.S. security. In addition, Nicaragua presented a legal document pointing to the violation of the GATT general accord, according to which the United States will not impose economic sanctions on any country for political reasons.

Nicaragua, however, has claimed at the GATT forum that the economic measures taken by the United States are illegal. Nicaragua has asked that measures be taken to restore the balance between Nicaragua's rights and duties as per the GATT accords. Also, Nicaragua has asked the panel members -- representatives of Norwegian, Spanish, and Indonesian origin -- to take measures to restore the free rights and duties of the contracting parties that existed prior to the May 1985 embargo. Nicaragua also feels that an adequate compensation could be achieved by the GATT member-countries' granting perferential treatment to Nicaragua, which would allow the country to counteract the effects of the economic embargo imposed by the United States, which has resulted in direct lisses of more than $90 million for Nicaragua.

YOUTH DELEGATIONS ARRIVE FOR MANAGUA MEETING

PA111321 Managua International Service in Spanish 0000 GMT 11 Jul 86

[Text] Youth delegations from several countries have arrived in Nicaragua to participate in the Latin American and Caribbean students meeting, which will be held in this capital from 16 to 18 July.

Francisco Moya, vice president of the World Federation of Democratic Youth, said upon his arrival in Nicaragua, that the world's youth wish to express their solidarity with the Nicaraguan people in view of the increasing war escalation by the United States.

Moya arrived from Cuba together with eight representatives of Latin American youth, who will participate in this big event, under the slogan for peace and nonintervention in Central America, as part of the celebration of the seventh anniversary of the Sandinist revolution.

The purpose of this international meeting is to analyze the situation in Central America and its possible solution and also its effects on the economic and political reality of Latin America.

RAUL CASTRO RECEIVES KARL ROLOFF BRIGADE

FL141804 Havana Tele-Rebelde Network in Spanish 1100 GMT 14 Jul 86

[Text] In the Ministry of the Revolutionary Armed Forces Army General Raul Castro Ruz, second secretary of the party Central Committee and FAR minister, has received the group of Polish youths who belong to the Karl Roloff Voluntary Work Brigade. Raul spoke at length with the visiting young people and described the struggle of our people during the 19th century, during which we received internationalist aid from such combatants as the Dominican Maximo Gomez, the top general of the liberating army, and Major General Karl Roloff, who was born in Poland.

MALMIERCA, CSSR FOREIGN MINISTERS DISCUSS RELATIONS

FL142345 Havana Radio Rebelde Network in Spanish 2300 GMT 14 Jul 86

[Text] CSSR Foreign Minister Bohuslav Chnoupek and Cuban Foreign Minister Isidoro Malmierca met today in Prague. During the meeting, the two foreign ministers discussed bilateral relations and the international situation.

ICAP PRESIDENT MEETS WITH PANAMANIAN OFFICIAL

FL152015 Havana Radio Reloj Network in Spanish 1755 GMT 15 Jul 86

[Text] Rene Rodriguez, president of the Cuban Institute of Friendship with the Peoples [ICAP] has held important conversations with political and cultural personalities during his visit to Panama.

Rodriguez met with Pedro Villa Martinez, president of the Foreign Relations Commission of the Legislative Assembly, who was presented with copies of two resolutions approved by the Cuban National Assembly. Rodriguez called on the Panamanian Legislative Assembly to act also on the two topics. One resoulution condemms $100 million in U.S. aid to Nicaraguan counterrevolutionary bands and the other rejects the South African policy of apartheid and stresses the heroic struggle of Nelson Mandela's people.

During the dialogue, the Cuban and Panamanian representatives reviewed the situation in Central America and the Contadora Group's efforts to achieve a political and nonmilitary solution to the problem in Central America.

ANPP OFFICIAL TO ATTEND MEETING IN BOLIVIA

FL152340 Havana Radio Rebelde Network in Spanish 2300 GMT 15 Jul 86

[Text] Georgina Barae, deputy [as heard] of the National Assembly of the Peoples Government, left today for Bolivia to participate in the meeting of the permanent commission of economic integration of the Latin American parliament which will be held during the next few days in La Paz.

RISQUET MEETS WITH GREEK SOCIALIST DELEGATION

FL160102 Havana Television Service in Spanish 0000 GMT 16 Jul 86

[Text] Jorge Risquet Valdes, member of the Politburo of the Communist Party of Cuba Central Committee, today met with a Panhellenic Socialist Movement [PASOK] delegation which is visiting Cuba.

The PASOK delegation is headed by Ioanna Khayiasopoulou, member of the PASOK Executive Bureau, and Roula Papasionopoulou, international affairs correspondent for the PASOK Latin American office.

The conversations were held in an atmosphere of warmth and mutual understanding. The PASOK delegation has been in Cuba since Sunday and will be visiting several areas of interest.

U.S. REINFORCING PRESENCE IN CENTRAL AMERICA

PA142323 Havana International Service in Spanish 2300 GMT 11 Jul 86

["Our America" commentary, read by Manolo Ortega]

[Text] The maneuvers to be carried out by an Air Force fleet in Costa Rica and the war exercises that approximately 100 members of the U.S. special forces will conduct in Honduras are a new demonstration of the reinforcement of the U.S. presence in Central America.

Costa Rican Public Security Minister Hernan Garron has justified these maneuvers under the pretext of controlling drug trafficking, but on various occasions other officials have said that there are more than 200 private airstrips in the country, many of which are used in arms trafficking for the Nicaraguan counterrevolution.

As is known, Costa Rican territory is constantly used in acts of provocation near the border with Nicaragua. Garron said that one of these incidents occurred in La Chorrera, a border town, on Sunday, when Somozist mercenaries exploded several bombs with a high destructive capacity.

In the past few years, the U.S. Army has conducted dozens of military maneuvers in Honduras. For these manuevers, the U.S. Army has deployed thousands of soldiers and much war materiel. In addition, 1,000 U.S. soldiers are stationed in Honduras, and they are responsible for the constant production of the equipment and weapons used in the military maneuvers. This enables them to carry out maneuvers, like the ones that will begin on Monday, at any time. As in the past, the Honduran soldiers will cooperate with the U.S. troops.

We feel that anyone who is closely following the developments in Central America can see that these maneuvers coincide, quite dangerously, with the huge aid the United States recently approved for the Nicaraguan rebels. This not only proves that the United States is reinforcing its aggressive positions in these two countries from where the attack and provocations against the Sandinist revolution are launched, but, as the Nicaraguan authorities have warned, the logistical and financial support for the former Somoza guardsmen opens the doors to a direct military intervention.

A long time ago the escalation lost it covert nature. It is also, slowly but surely, removing the veil of apparent neutrality with which they tried to cover the intentions of some governments, like the Costa Rican Government, which is quickly advancing along the same path as the Honduran Government, giving men and its territory to attack its neighbors.

In recent statements, Honduran President Jose Azcona said that the $100 million in aid to the counterrevolution is not enough to eliminate the Nicaraguan revolutionary government. The Honduran president has not realized that neither money nor maneuvers nor even a direct aggression can undermine the Nicaraguan people's determination to decide their own future.

CIA TO EXPERIENCE 'BRIGHT FUTURE' UNDER REAGAN

PA150359 Havana International Service in Spanish 2300 GMT 10 Jul 86

["Viewpoint" commentary]

[Text] The CIA is the most controversial and criticized U.S. state organization. Its innumerable violations of international coexistence rules constantly keep it in the public eye.

However, it is apparent that the CIA's bad reputation does not bother the White House's occupant, much less influence the U.S. strategy of becoming a world gendarme to impose its policy everywhere in the world.

The best evidence that Reagan haughtily overlooks criticism generated by his dear agency was exposed a few days ago by a NEW YORK TIMES reports stating that the CIA has increased the number of operations during the administration of the former Hollywood actor.

According to that U.S. newspaper, there were only a few more than 10 covert actions by that organization during the James Carter administration, while there have been approximately 40 so far during the Reagan administration; most of them have been large-scale actions.

In the legal aspect, the Yankee leader has obtained approval for his plans through the congress' two intelligence committees which exert pressure on legislators in various ways, especially on matters involving voting for CIA budgets.

Currently the agency handles more than $25 billion, which is three times as much as 10 years ago. In fact, one of the contradictions of the hackneyed U.S. democracy is evident during discussions of the issue of state allocations for the CIA. It happens that William Casey, who is chief of that intelligence organization, is the only government official whose budget proposals cannot be publicly discussed.

CIA funds are included in the huge Pentagon budget that is carefully evaluated by only 15 senators and 14 representatives from the control committees. That is, more than 500 congressmen do not know what is going on.

Numerous legislators are concerned that U.S. actions against unspecified objectives outside the United States might replace a foreign policy determined and controlled by the Congress.

We need not think much to find the reasons for the bad reputation of that espionage agency. We need only recall the mining of Nicaraguan harbors a few years ago and the training and supplies received by counterrevolutionary groups operating against Afghanistan, Angola, Cambodia, Nicaragua, and any other country refusing to follow a path dictated by Washington.

One of the CIA's most recent tasks was the preparation to carry out criminal bombings against densely populated regions in Libyan territory. Nobody doubts that this intelligence organization has a bright future within the Reagan administration, especially if we recall the euphoria with which the U.S. President honored William Casey in May. He said that Casey leads those who are waging a war in the shadow against communism.

'OUR AMERICA' ON SITUATION IN CHILE, U.S. STANCE

PA152310 Havana International Service in Spanish 2300 GMT 13 Jul 86

["Our America" commentary]

[Text] The news that the Chilean authorities have carried out an unprecedented action, burning alive Rodrigo Rojas, a youth who had recently returned to his country after 10 years in exile, has caused amazement and more hatred in local and international public opinion because those vandalistic acts inevitably make us remember the hideous crimes of Hitler's forces. However, according to the opinion of the putschist traitors, there is a reason for the intensification of the terror in Chile. This is because they want to foment hatred among the masses, to keep away the constant threat of being overthrown, in sum, to avoid the appearance of a people's progressive government after 13 years of military nightmare.

This is also corroborated by the fact that the military junta has not ceased -- after the succesful 48-hour general strike on 2 and 3 July -- the persecution and arrests of the top leaders who organized the strike. The Civic Assembly, made up of more than 18 political, labor, student, and religious organizations, showed during those days that the Chilean people are accelerating their unity and that the end of the Pinochet dictatorship is unquestionably close.

The recent arrest of 18 leaders, (?punished) by the regime because they called for the strike, shows us that the regime wants to leave the people without leaders capable of shaking the foundations of Moneda Palace. In Washington, the governoment of U.S. President Ronald Reagan understands the political chaos which General Augusto Pinochet is enduring and, thus, the idea of replacing him -- in the same way as happened in Haiti and in the Philippines -- is already in the overworked minds of the principle White House officials and at the U.S. Congress. In other words, the United States wants a Pinochetist regime without Pinochet to conceal its true purposes of controlling and exploiting this South American nation, and at the same time seeking to divide the unity of the Chilean masses to weaken its radicalization.

However, what the U.S. Government has not taken into account yet is that the septuagenarian Gen Pinochet is being stubborn and obstinate. Far from calming the storm, the dictator has stirred up discord with his recent remarks saying he will remain in power until 1997.

Recently THE WASHINGTON POST revealed the U.S. congressional concern precisely because of the absurd positions of the Chilean putschist leader. THE WASHINGTON POST said that the stubbornness of President Pinochet in denying the transition to democracy in Chile strengthens the U.S. congressional decision to adopt economic sanctions against this southern country.

The Chilean people have strengthened their awareness in the struggle against the dictatorship and will not allow the U.S. Government to maneuver at will to have the reins of power remain under its total domination. With the return to democracy in general free elections, the Chilean masses will have the last word.

BARBADOS

GOVERNMENT ANNOUNCES TAX CONCESSIONS

FL152358 Bridgetown CANA in English 2143 GMT 15 Jul 86

[By Reudon Eversley]

[Excerpt] Bridgetown, Barbados, July 15, CANA -- Sticking to its election campaign promises, the seven-week-old Democratic Labour Party (DLP) government today announced wide-ranging tax concessions in a move to revitalise the economy.

Finance Minister Dr Richie Haynes told Parliament that the defeated Barbados Labour Party (BLP) administration had overtaxed Barbadians and this was largely responsible for the current depressed state of the economy.

Tax reduction is therefore a necessary first step in any attempt to revitalise the economy, he said.

Centerpiece of the fiscal package, which will result in a gross revenue loss of 67.4 million dollars (one BDS dollars; 50 cents U.S.), was the abolition of income tax for all workers earning up to 15,000 dollars a year. The previous cut-off point was 10,000 dollars.

Haynes lowered income tax rates to allow more take-home pay by other workers and reduced the maximum corporation tax rate, applicable to companies, from 45 to 35 per cent. These measures were backdated to April 1, start of the current fiscal year.

Plans were also announced for the introduction of a graduated system of corporation tax ranging from 15 to 35 per cent for the next fiscal year.

Haynes said the tax measures would lead to increased spending and would boost government revenue. As a result, it was forecast that the net revenue loss arising from the package would be 53 million dollars, he said. [passage omitted]

Haynes said the proposals outlined today were intended to strengthen the economy, create job opportunities through increased purchasing power to individuals and businesses, and raising living standards.

This government will do all it can to expedite the creation of jobs in new and productive areas. The public can help in this regard by buying locally produced products, he said.

I especially wish to exhort business in the distributive sector to strive to promote the sale of locally produced goods, to place early and adequate orders for such goods, and to assume the role of stockist for goods produced by small manufacturers, he added.

Political analysts had linked the DLP's landslide election win, by a margin of 24 seats to three, to the attractive tax proposal which opposition spokesman have said could lead to the collapse of the economy.

To allow the concessions, Haynes said government had decided to trim 14 million dollars off the 1986 current expenditure budget of 700 million dollars, and to restrict capital expenditure to 150 million dollars. The estimates had projected the figure at 188.5 million dollars.

There will be no difficulty in financing governments operations, he said.

HAITI

FORMER POLICE CHIEF DESYR SENTENCED TO DEATH

AB160928 Paris AFP in French 0912 GMT 16 Jul 86

[Text] Port-au-Prince, 16 Jul (AFP) -- Luc Desyr, former head of the political police of Francois Duvalier and of his son, Jean-Claude, was sentenced to death at dawn today by the Port-au-Prince Court of Assize.

Desyr was found guilty of illegal arrests, sequestrations, physical tortures, and the assassinations of an anti-Duvalier militant, Jean-Jacques Dessalines Ambroise, and his wife, Lucette Lafontat Ambroise, who died in August 1965 in the Haitian capital.

JAMAICA

SEAGA, MANLEY ISSUE STATEMENT URGING NONVIOLENCE

FL152220 Bridgetown CANA in English 2112 GMT 15 Jul 86

[By Paget de Freitas]

[Text] Kingston, Jamaica, July 15, CANA -- Prime Minister Edward Seaga and opposition political leader Michael Manley have pledged to improve communication between their parties to prevent situations similar to yesterday's near clash between government and opposition supporters in the old Jamaican capital of Spanish Town where Manley was on a campaign tour.

At a meeting last night, Seaga, who leads the right-of-centre Jamaica Labour Party (JLP) and Manley, of the democratic Socialist Peoples National Party [PNP] also resolved to continue to work for the success of the peace accord they agreed to late last month in the run-up to municipal elections July 29.

The party leaders issued a joint statement with their pledges today, following a hurried meeting last night aimed at putting their accord back on track. It was being weakened by charges and counter charges by both parties about violence against their supporters, with the most serious incident being the Manley campaign tour in Spanish Town, west of Kingston, where shots were fired.

But according to the joint statement, yesterday's tensions were the result of poor communication between the parties.

According to the statement, the PNP had announced a public meeting for last night in Spanish Town just outside a JLP constituency office, which Manley was to attend.

Manley, it said, did not know the precise location of the meeting, but agreed to a change of venue after PNP officials, on complaint by the JLP, had suggested the move. The meeting site had initially been selected by the local PNP organisation.

The statement claimed too that JLP chairman and Spanish Town parliamentary representative, who had accused the party of instigating violence, did not know that Manley ordered the change of venue. It was in this charged atmosphere that a PNP motorcade ran into a crop of JLP supporters and the security force fired warning shots in an effort to prevent any breach of the peace, the statement said.

It is clear from the discussions that the incident which occured was a result of lack of communication, the joint statement said. Early public statements had been issued in absence of all the facts.

Added the statement: Among other things, the meeting agreed on improving lines of communication and consultations between the two parties, which should go a far way in helping to avoid similar incidents in the future and will enhance the spirit and intent of the accord.

Both leaders resolved to continue to work for the success of the peace accord which had so far achieved a high level of overall success.

Manley and Seaga had held a series of secret meetings on the conduct of politics in Jamica, culminating in their June 27 agreement on a code of conduct for the coming elections.

But sides agreed to stressing to their supporters the need to avoid violence and campaigning based on issues rather than character assassination. They also agreed not to deface walls and building with graffiti and posters.

The parties pledged to continue work to develop the code which is to be at some point enshrined in legislation.

The agreement was spurred by memories of the bitter 1980 election campaign when 800 persons died, the bulk of them by the gun.

CENTRAL BANK REPORTS ECONOMIC IMPROVEMENT

FL152150 Bridgetown CANA in English 1757 GMT 15 Jul 86

[Text] Kingston, Jamaica, July 15, CANA -- Jamaica's Central Bank Covernor, Dr Headley Brown has reported a significant improvement in Jamaica's balance of payments accounts in the first five months of this year signalling that the economy was beginning to stabilize after a period of harsh adjustment.

He, however, did not give the overall balance of payments position at the end of the period.

Brown told business leaders that between January and May, Jamaica was showing a current account surplus of U.S. 7.1 million dollars compared with the U.S. 50.6 million dollar deficit over the same months last year.

The country's trade balance had also improved from the minus U.S. 241.9 million dollars to minus U.S. 132.8 million.

Additionally, the Central Bank governor said, the services account was running at a U.S. 72.1 million dollar surplus between January and May, a U.S. 39.2 million dollar improvement over the same months in 1985.

It should be stressed that the process of structural transformation has been reflected in an improvement in the services account, reflecting positive tourism trends as well as free zone-related exports, Brown said. It is for this reason that a focus on the current account is a more meaningful indicator than the true balance ..., he added.

However, net capital movement was down in the review period by U.S. 126.7 million dollars to U.S. 109.7 million dollars.

But despite this, the central bank governor said there was a reserve build-up by U.S. 29.1 million dollars suggesting an increased reliance of domestically generated foreign resources to finance economic activity.

Another positive feature, according to Brown, was the lessening of cash transactions in financing imports. He said that in 1985-86 U.S. 281 million dollars in cash or 41 per cent of total non-oil and non-bauxite imports of U.S. 691.8 million dollars, was utilised. But in 1986-87 cash payments for this category of imports are expected to fall to 37 per cent or U.S. 308 million dollars out of a total projected expenditure of U.S. 826.5 million dollars.

This reduced use of cash to finance imports is consequent on the revitalised approach to export credit arrangements, he said.

Institutional framework, such as the Export-Import (Ex-im) Bank has been established, he added.

FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 138 18 July 1986

ARGENTINA

Official Condemns U.S. Central American Policy B 1
Alfonsin Pays Visits to Japan, Philippines [cross-reference] B 1
Sourrouille Discusses Japanese Credits B 1
Foreign Minister on Alfonsin's Japan Visit B 2
Daily Speculates U.S. Envoy To Be Replaced B 3
Ubaldini Says CGT Will Not Bargain Strike Right B 4

BOLIVIA

Government Communique on Presence of U.S. Troops C 1
  Criticism From Various Sectors C 1
  Further Reaction C 3
Vice President Confirms Loyalty to Paz C 3

CHILE

Minister Comments on Meeting With Gelbard E 1
  Gelbard, Fresno Meet E 1
PDC Rejects Agreement, Alliance With PCCh E 1
MDP Document on Pinochet's Concepcion Speech E 2
New National Civic Assembly Coordinator Named F 2
Bomb Explodes Near La Moneda Palace; No Injuries E 3
Arsenal Found at Talcahuano University [LA TERCERA DE LA HORA 17 Jul] E 3

COLOMBIA

FARC's Arenas Says Truce 'In Peril'; Army Denies F 1
Subcommission Reviews Charges Against President F 1

ECUADOR

Armed Forces Oppose Amnesty for Vargas, Bucaram G 1
Briefs: Oil Contract Terminated; Important Oil Discovery G 1

PERU

Committee Hears Danish Ship Arms Case Report J 1
Cabello Installed as Republican Guard Director J 1
Terrorists Attack 3 Buildings in Lima J 2
Drug Traffickers Kill Peasants in Huanuco J 2
Briefs: Inflation Rate J 2

PANAMA

President Announces Canal Rights Campaign [LA ESTRELLA DE PANAMA 16 Jul] N 1
PAPA Calls for 'National Reorganization' [LA PRENSA 15 Jul] N 1

CENTRAL AMERICA

BELIZE

Esquivel Discusses Economy, Foreign Policy P 1

EL SALVADOR

18 U.S. Priests, UK Newsman Arrested in Suchitoto [LA PRENSA GRAFICA 17 Jul] P 2
  Expelled to Guatemala P 2
  Gen Blandon Comments P 3
Rey Prendes Rejects Debate Proposed by FMLN P 3
Venceremos on Army Cooperation With Honduras P 4

GUATEMALA

Economy Ministry Confirms Trade Suspension P 5

NICARAGUA

Intersputnik System Dedicated With USSR P 6
EPS Leaders Discuss Response to Contra Aid P 6
  Capt Wheelock on Airspace P 6
  Hugo Torres on U.S. Army Moves P 8
Arce Views U.S. Aid for C.A. Region P 9
'Managua Declaration' Guarantees Indians' Rights P 11

CUBA

Paris Club Reportedly Agrees To Refinance Debt [REUTER] Q 1
Castro Sends Message to Vietnam's Truong Chinh Q 1
Rodriguez Meets With Vietnamese Deputy Chairman Q 1
Deputy Foreign Minister Mazola Visits Libya [cross-reference] Q 1
Elections Scheduled for 18, 26 October Q 1

CARIBBEAN

ANTIGUA-BARBUDA

Investment Treaty Negotiated With U.K. S 1

DOMINICA

Charles Doubts Creation of Caribbean Federation S 1

TRINIDAD-TOBAGO

TRINIDAD GUARDIAN on Commonwealth Games Boycott S 2
PMN Denies Race Issue in Campaign S 3

OFFICIAL CONDEMNS U.S. CENTRAL AMERICAN POLICY

PY171837 Buenos Aires DYN in Spanish 0042 GMT 17 Jul 86

[Text] Buenos Aires, 16 Jul (DYN) -- Presidential adviser Aldo Tessio today said that U.S. President Ronald Reagan "has delirium tremens" and predicted that his intervention in Central America will start a "Vietnamization" of the area. Talking on the program "Open Journalism," broadcast by Radio Mitre, Tessio emphasized that "Nicaragua is a small country that cannot represent a direct danger to the United States." "However," he added, "for Latin America, Nicaragua is the expression of a country that was able to endure the great hardship of a dictatorship that did not come from the skies, but was put there by Wall Street interests and U.S. policy, for (Anastasio) Somoza was a foreman for U.S. policy."

Tessio said that "we worry about Nicaragua because someone is really trying to destabilize some of the weaker Latin American democracies."

"I am worried about Honduras," he added, "which is a platform for Somozist and U.S. interests that will bring about the Vietnamization of Central America." In his strong condemnation of U.S. policy in Central America, the presidential adivser said that "the United States is really governed by the military-industrial complex and a president who has 'delirium tremens' at the thought of his country falling into the hands of world communism."

"I hope that Mr Reagan's state of delirium will abate," he continued, "because it will greatly affect Latin America and even his own country."

Tessio also talked about the Chilean situation, stating that "I feel sorry for the Chilean people," because "an everlasting dictatorship has unleashed a savage repression that amazes the whole world." He said: "Pinochet is striking the last blows against the people of a country who are fighting at a disadvantage, facing armed and security forces known for their barbarism and cruelty."

ALFONSIN PAYS VISITS TO JAPAN, PHILIPPINES

For reportage on President Raul Alfonsin's 13-17 July visit to Japan and 17-19 July visit to the Philippines, see the 18 July Asia and Pacific DAILY REPORT and subsequent issues.

SOURREOUILLE DISCUSSES JAPANESE CREDITS

PY161744 Buenos Aires NOTICIAS ARGENTINAS 1838 GMT 15 Jul 86

[By special correspondent]

[Text] Tokyo, 15 Jul (NA) -- Economy Minister Juan Sourrouille has stated here that the $100-million loan granted by the Tokyo Eximbank "is the beginning of voluntary credit operations for Argentina," which is something "we have been trying to get for years." Sourrouille indicated that "no deadline" has been established on the loans during the 2 days of negotiations. He added that the decision to invest in Argentina was made by Japanese businessmen and that the operation "does not need the authorization of any government." Sourrouille, considered the key man in the negotiations by the Argentine private businessmen who came with the delegation, said that the result of the visit to Japan must be considered positive for the future of the Argentine economy.

Sourrouille made this comment to reporters regarding the intense negotiations held in Tokyo during the banquet given by President Raul Alfonsin to Prime Minister Yasuhiro Nakasone.

He said: "We discussed several issues here. One of them was the beginning of the voluntary credit operations for Argentina, and the $100-million credit granted by the Eximbank is part of that operation. It is the first operation of that type by our country with Japan in many years." He added that the loan "is not very big, but it has a special meaning because it is a return to voluntary credit for Argentina, which we have been trying to get for many years."

Sourrouille also reported that during the negotiations in Tokyo an agreement in principle was reached on a different way to manage export insurance in the future. He added that he is not aware "whether Japan is doing this with other countries. What I do know is that Japan is doing it with Argentina, and this is an exception."

Sourrouille also indicated that "there was no discussion on establishing deadlines. it was simply a decision to sign an agreement in accordance with the real situation and future of the Argentine economy."

He added: "Time will tell. What we do know now is that there is a much more favorable attitude toward Argentina, to such an extent that the Japanese Government is organizing -- as a next step following our presence here -- a visit by Japanese public officials and private businessmen to Argentina before the end of this year."

Regarding the foreign debt, the minister said that "the Japanese position is perhaps a bit different from that of other creditor countries because the idea of reconstruction is very alive in this country. Japan is convinced that economic growth is a major objective because it permits debtors to pay their debts, and also because it is the main political goal of any country. This is a firmly rooted idea." He added: "There is a very clear idea here about putting growth first, and the problems and eventual financing for growth second. This is the order used for discussion by the people here."

In conclusion, Sourrouille pointed out that the issue of Argentine foreign debt with Japan, its second largest creditor in the Paris Club, was not discussed. He added: "We are looking at that issue under the general perspective of the developing countries. From that viewpoint, I believe there is more agreement here with our position than we have observed in other areas."

FOREIGN MINISTER ON ALFONSIN'S JAPAN VISIT

PY171850 Buenos Aires TELAM in Spanish 0028 GMT 17 Jul 86

[By special correspondent Jose Bacigalupe]

[Text] Kyoto, 17 Jul (TELAM) -- Argentine Foreign Minister Dante Caputo has described the negotiations that the delegation headed by President Alfonsin has conducted in Japan as successful. The delegation today concluded its visit. Caputo added that Argentina hopes to associate itself with economic powers that are not political powers.

He made these comments to Argentine newsmen and pointed out that Argentine-Japanese relations are excellent at all levels. He said that this was clear not only at official-level meetings, but also at the private level.

Caputo said that he believes that the group of Argentine businessmen who met with their Japanese counterparts obtained highly satisfactory results. He added that the entire tour has been a success, as President (Raul) Alfonsin yesterday said during a meeting at the Press Club.

Caputo said that he believes that he conveyed to the Japanese authorities and businessmen what is being done in Argentina, what changes are being implemented, and what is being sought for the future in the efforts to join the modern world.

The Argentine foreign minister said that there are few countries in the world that are real economic powers but are not political powers. He added that to negotiate with these powers means not to run the risk of creating any type of dependency.

He stated that the talks that were started here will have to find channels that will allow a broader exchange not only in economic areas, but in cultural ones as well.

He remarked that associating with economic powers, such as Japan, which is not a political power, is especially interesting because they are nations which do not intend to impose any kind of political economy. He explained that there is no risk of creating any economic dependency.

He said that the possibilities of creating firm ties between the two nations will be pursued throughout the years with perseverance, seeking topics of common interest.

He recalled that we have attained fruitful results with Brazil after 2 years of negotiations. These results will become concrete when the Brazilian president shortly visits Buenos Aires and signs with his counterpart, Alfonsin, important agreements within the framework of Latin America and the world.

Caputo added that in Japan we started negotiations similar to those started 2 1/2 years ago with Brazil.

Alfonsin has now left for Manila, the Philippines, where he will be received at the airport by President Corazon Aquino, with whom he will hold discussions.

DAILY SPECULATES U.S. ENVOY TO BE REPLACED

PY180015 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2115 GMT 17 Jul 86

[Text] Buenos Aires, 17 Jul (NA) -- According to a report, which has been denied by the embassy spokesman, next month American businessman Edward Gilred, a personal friend of President Ronald Reagan, will reportedly replace Frank Ortiz as U.S. Ambassador to Argentina.

When NA asked the U.S. Embassy about this information the reply was the classic "no comment." This is a phrase which American diplomacy usually uses to reply to questions that cannot be confirmed or denied.

The embassy spokesman explained that "we cannot comment on this sort of information until the corresponding country approves the appointment, in keeping with diplomatic norms."

According to an article published today by LA NACION newspaper, Gilred is not a career diplomat, but it is evident that he "is a contributor to the Republican Party."

The article reports that the possible new American ambassador to Argentina "is a man between 50 and 60 years of age who earned a fortune in the real estate business," and who in 1984 "founded a Latin American Studies Institute in California."

According to the newspaper article, "the replacement of a veteran diplomat like Ortiz with a businessman who is a personal friend of President Reagan is apparently a new aspect in Argentine-U.S. diplomatic relations. These relations are currently at one of their most cordial levels."

In conclusion, the article states that "there is no evidence that Ortiz will be replaced anytime soon." However, well-informed sources say that the change will take place next month.

UBALDINI SAYS CGT WILL NOT BARGAIN STRIKE RIGHT

PY171337 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2100 GMT 16 Jul 86

[Text] Buenos Aires, 16 Jul (NA) -- CGT [General Confederation of Labor] Secretary Saul Ubaldini today rejected any possibility of the CGT negotiating with the government over the regulations on strike rights, as the government reportedly intends to do.

Ubaldini said: "The CGT will never sit down and regulate the right to strike. It would be preferrable for them to call on us to solve the serious problems being faced by the workers and put aside attempts to remove a right that is established in our constitution."

GOVERNMENT COMMUNIQUE ON PRESENCE OF U.S. TROOPS

PY180319 La Paz La Red Panamericana in Spanish 0000 GMT 18 Jul 86

[Text] Information Minister Hernan Antelo has said that the U.S. cooperation with technical equipment and personnel in the fight against drug trafficking is the result of multilateral and bilateral agreements and treaties signed by Bolivia and the United States within the United Nations framework. Minister Antelo has given this explanation in reply to press reports about the arrival of six U.S. helicopters and experts in the last few days.

This is the first step of a great operation, the information minister said as he handed out a six-point explanation drawn up by his office.

First, this is part of a great operation designed, planned, and directed by the appropriate Bolivian authorities to crack down on cocaine manufacturers and traffickers in their own hideouts, which until this time have not been accesible to the law because of the limited resources of the Bolivian police.

Second, the following equipment and people are participating in the operation: elite Bolivian police troops, 7 helicopters -- of which 1 is Bolivian and 6 American -- and approximately 160 U.S. experts, among which are pilots, mechanics, and communications experts.

Third, the American personnel will not participate in the repressive actions because the Mobile Units for Rural Areas [Umopar] are in charge of these actions.

Fourth, the plan was drawn up within a strategy developed and proposed last October by the Defense Ministry, it will be executed within the national legal framework, and no illegal measure will be adopted.

Fifth, in this case, U.S. cooperation is a result of bilateral and multilateral agreements and treaties signed by Bolivia, such as the 1961 Single Convention on Narcotics and its additional 1972 protocol within that framework. This describes the leagal status of the crime as a common crime punishable by the law of most countries/

Sixth, based on this multilateral instrument, and others such as the one recently signed in Rio de Janeiro, the Rodrigo Lara Bonilla agreement of 30 April 1986 signed in Lima, and the parlamentarians' drug trafficking and narcotics dependence conference that took place in Quito in May 1986, the Bolivian Republic and the United States have signed [word indistinct] bilateral agreements on 11 August 1983, 8 November 1983, and 22 April 1986.

Therefore, this operation, which is mainly of a police nature, is part of these agreements and does not need to be approved by the national Congress. Such approval is necessary when, for example, the executive branch requested the approval of Congress to carry out the joint U.S.-Bolivian military exercise last April.

Criticism From Various Sectors

PY180131 Madrid EFE in Spanish 2206 GMT 17 Jul 86

[Text] La Paz, 17 Jul (EFE) -- Astonishment, concern, and criticism were the main reactions among various Bolivian sectors when it was confirmed that the U.S. Army had decided to participate directly in the struggle against drug trafficking.

The joint antidrug trafficking operation between the United States and Bolivian police group, the Leopards, started yesterday in Trinidad, in Beni Department, on the border with Brazil, amid total secrecy.

The first step of the plan is to install an operations base northeast of the Beni region. This base will have communications equipment capable of detecting drug trafficking airplanes from more than 100 clandestine air strips carrying cocaine paste abroad, Bolivian Defense Ministry sources told EFE.

Senate President Oscar Zamora Medinacelli, today announced that he will summon a congressional meeting to analyze this plan, which "has not been discussed with the legislative branch, and which is therefore illegal," he said.

Deputy Gaston Encinas, president of the Chamber of Deputies, today said that "no country can allow the intervention of foreign armies in its domestic matters since it affects its national security."

This operation, called "Bol-U.S.A.," is considered to be the greatest one carried out in Latin America, considering the military display that could be observed. Smaller operations have already been seen in Bahamas and Colombia.

On 14 July American Galaxy and Hercules airplanes brought six Black Hawk combat helicopters from Panama to the airport in Santa Cruz, southeast of La Paz. The planes also brought communication equipment and nearly 150 officers, soldiers and Drug Enforcement Agency [DEA] members.

The plan also envisages the installation of another center in the Santa Cruz Department, to control the drugs coming from Cochabamba.

The Bolivian political parties and labor unions have reacted angrily to this Bol-U.S.A. plan.

Socialist Party One Deputy Roger Cortez, today said that "the manner in which the U.S. military men were introduced into the country violates basic Bolivian legal order."

Deputy Mario Rueda Pena, former minister of the Siles Zuao administration, said: "We are all against the drug trafficking mafia, but it so happens that U.S. military troops have arrived in the country without complying with a constitutional prerequisite" which establishes that the arrival of foreign forces be approved by Congress.

Bolivian Labor Confederation [COB] Secretary Fernando Fuentes said that "this amounts to direct intervention, under the pretext of combatting drug trafficking, illegally authorized by the executive branch, which shows how it is ruling Bolivia."

Defense Ministry sources told EFE today that "no U.S. troops arrived from the United States; they are only mechanical, technical, and communications experts. They are not soldiers. Troops could not arrive in six helicopters."

"The struggle against drug trafficking will be carried out just as it has been: by Bolivian expert personnel, especially trained for this, and the United States will only give us logistical support and nothing more," the source said.

Press reports sent from Trinidad to Government House said that more then eight people could be seen in each helicopter, most wearing uniforms."

It was also reported that the helicopters transported boxes and equipment "containing weapons and presumably communications equipment."

Further Reaction

PY172259 La Paz La Red Panamericana in Spanish 1700 GMT 17 Jul 86

[Excerpts] The Latin American Parliament has started meeting in Santa Cruz de la Sierra with the participation of many delegations of Latin American legislators. The sessions will start today at 1700 in the Spanish Residents House in this city. Here is a relay from our correspondent in Santa Cruz de la Sierra:

[Begin relay by unidentified reporter] Bolivian congressmen have certainly reacted to the news of the alleged arrival of U.S. troops and war materiel to fight drug trafficking. National Senator Oscar Zamora Medinacelli angrily said that he will request clarification and will ask the interior minister to provide a report on the subject in the next few hours.

The president of the Chamber of Deputies has made similar statements and added that no foreign intervention is permitted without Congress' approval. We are not against fighting drug trafficking, however, we must stay within a legal framework because we are not a tiny hamlet allowing any government to bring in its forces. I wonder, he said, what would happen if Bolivian police forces arrived in the United States to start a fight. The American people would certainly react immediately. [end relay]

The Bolivian delegation to the Latin American Parliament does not favor U.S. military intervention in the struggle against drug trafficking. [recorded passage omitted]

[Begin relay] President Victor Paz Estenssoro is expected to arrive in Santa Cruz between 1500 and 1600 today at the El Trompillo military base, from where he will go directly to the Spanish Residents House. The president will be received by the Latin American congressmen and will dedicate the congress. This was a relay for Panamericana from Santa Cruz. [end relay]

Everything is thus ready for the first Latin American Parliament meeting in Santa Cruz, which will end 20 July.

VICE PRESIDENT CONFIRMS LOYALTY TO PAZ

PY171817 La Paz La Red Panamericana in Spanish 0000 GMT 16 Jul 86

[Excerpt] Vice President Julio Garrett Ayllon has stated that his loyalty to President Victor Paz Estenssoro cannot be questioned and that some anonynous documents that circulated in the country during his absence regarding a plot are absolutely false. Julio Garrett made this statement during a news conference in his offices. Regarding his visit to the PRC, Garrett said that he made contacts to try to obtain greater financing for the country. Regarding the struggle against drug trafficking, he said.

[Begin recording] I tried to reach agreements at the UNCTAD level, the UN organization in charge of the struggle against drug trafficking. We clearly established that [passage indistinct]. [end recording]

The vice president did not want to comment on a Congressional Committee rejection of the popular consultation because he did not have enough information on the issue. [passage omitted]

MINISTER COMMENTS ON TALK WITH GELBARD

PY172159 Santiago Radio Chilena in Spanish 1700 GMT 17 Jul 86

[Excerpt] [Passage omitted] As for the talk he had with the U.S. envoy, Robert Gelbard, Interior Minister Ricardo Garcia said that it was tense and focused on the institutional development being carried out by the government. The minister also said that the government is studying the declaration issued by the bishops regarding the causes of violence and that, therefore, it will not make a statement about that declaration for the time being.

Gelbard, Fresno Meet

PY172234 Santiago Radio Chilena in Spanish 1700 GMT 17 Jul 86

[Excerpt] Robert Gelbard, U.S. deputy assistant secretary for Inter-American affairs, met today for about an hour with Cardinal Juan Francisco Fresno in the Santiago Archbishopric. This meeting was attended by Msgrs Sergio Vale and (Christian Tress) and U.S. Ambassador Harry Barnes.

Mr Gelbard told the press that Cardinal Fresno is highly respected in the United States, because he wants the best for his country through a peaceful transition to democracy. At the meeting Msgr Fresno and Mr Gelbard talked about the situation in the country and about the National Accord for the transition to full democracy.

In other matters, the Santiago Archbishopric released the following declaration: Asked his opinion on the National Accord by EL MERCURIO, U.S. Senator Jesse Helms said that he understood that this document, quote was an initiative of the U.S. Department of State that was channeled through Cardinal Fresno, unquote. The Santiago Archbishopric feels duty-bound to categorically deny Helm's statement, because it does not reflect the true facts. [passage omitted]

PDC REJECTS AGREEMENT, ALLIANCE WITH PCCH

PY180337 Santiago Radio Chilena in Spanish 2300 GMT 17 Jul 86

[Text] The National Directorate of the Christian Democratic Party issued today the following declaration, which is now read verbatim:

Having analyzed the implications of the declaration made by Jose Sanfuentes, secretary general of the Popular Democratic Movement, in an interview published in the newspaper EL MERCURIO on 13 July, the National Directorate of the Christian Democratic Party feels that it is necessary to point out the following:

1. To ratify and support what has been expressed in that regard by the president of the Christian Democratic Party, Gabriel Valdez, in a press conference held on 14 July, because his statements reflect the unanimous opinion of this National Directorate.

2. Mr Sanfuentes' declaration is deplorable because, on one hand he endorses the peaceful mobilization of the people and, on the other he encourages the use of violent methods.

3. A declaration of this kind does not help the struggle of Chileans to restore their democracy. On the contrary, it provides justification for the strategy being followed by the regime and the image it wants to project.

4. The Christian Democratic Party again expresses its rejection of those positions, and reasserts its attitude not to contemplate political agreements or alliances with the Communist Party of Chile [PCCh].

[Signed] National Directorate of the Christian Democratic Party.

MDP DOCUMENT ON PINOCHET'S CONCEPCION SPEECH

PY180210 Santiago Radio Chilena in Spanish 1700 GMT 17 Jul 86

[Text] The responsibility to react positively and quickly to the democratic demands of the Chilean people rests upon the Armed Forces and the Forces of Order. This statement is contained in a document released by the Popular Democratic Movement [MDP] on the current political situation. German Correa, leader of the MDP, has affirmed that the formal announcement, made by General Pinochet in Concepcion, that he will stay in power until the year 2000 [as heard] has serious ramifications, because it will drive the Armed Forces into an imminent confrontation with the Chilean people. In view of that announcement, the MDP leader emphasized the need to reject initiatives which seek to exclude any sector.

[Begin Correa recording] We are deeply aware of the seriousness of the situation we face. We and the opposition forces have the responsibility to overcome all obstacles standing in the way of unity. We must understand that this is not the time to play along with Pinochet by insisting on initiatives which exclude any sector, or attempting to impose conditions that cannot be accepted. We are moved by nothing other than our understanding of the suffering of our people, who demand the unity of the opposition to accelerate the end of the regime. [end recording]

German Correa added that the Armed Forces have a crucial role in this process of seeking democratic understanding.

[Begin Correa recording] The Armed Forces and the forces of order have the responsibility to positively and quickly react to the democratic demands of the Chilean people. Otherwise, they will inevitably be dragged into a fratricidal confrontation with their own people, just to please the personal ambition of Pinochet to perpetuate himself in power. We call on the Armed Forces and the forces of order not to continue blindly opposing the struggle of their people for liberty. We call on them not to use firearms against their people and not to debase themselves with the brutal repression on illegitimate orders from Pinochet, who led some Armed Forces members to commit the atrocity of burning Chilean youths who were only demanding freedom and a future of well-being and peace. [end recording]

After emphasizing the conciliatory efforts of the Chilean bishops, German Correa affirmed that the MDP commits itself to try to stop the violence that is rampant in the country.

NEW NATIONAL CIVIC ASSEMBLY COORDINATOR NAMED

PY180243 Santiago Radio Chilena in Spanish 2300 GMT 17 Jul 86

[Text] Thirteen leaders of the National Civic Assembly remain in the Capuchino Jail Annex, charged with alleged violations of the State Internal Security Law for calling the 2-3 July stoppage.

One of the detainees is the national president of the Professors College, Osvaldo Verdugo.

The Santiago Provincial Council of the Professsors College has decided to pay mass a visit to the Capuchino Jail Annex this weekend and to call community assemblies during the next few days as a form of mobilization by professors.

Doctor Ricardo Bacareza, president of the Metropolitan Council of the Physicians College of Chile, has just assumed the post of coordinator of the National Civic Assembly, since all the top leaders of the organization are now in custody and indicted in connection with a suit filed against them by the government. Dr Bacareza had been appointed coordinator of the National Civic Assembly by the Federation of Professional Colleges of Chile, a class association that is in charge of coordinating this organization.

BOMB EXPLODES NEAR LA MONEDA PALACE: NO INJURIES

PY171509 Madrid EFE in Spanish 1437 GMT 17 Jul 86

[Text] Santiago, 17 Jul (EFE) -- A bomb exploded today at 0047 near the La Moneda Palace, the Chilean Government headquarters in downtown Santiago, causing only material damage. The bomb exploded on Valentin Letelier Street at the doorstep of a business about 100 meters from the Government Palace. The explosion destroyed part of the premises metal screen door and broke some windows. There was no report of casualties.

ARSENAL FOUND AT TALCAHUANO UNIVERSITY

PY171818 Santiago LA TERCERA DE LA HORA in Spanish 17 Jul 86 p 14

[Text] Talcahuano -- Inflammable material and blunt instruments have been found in the office of the Student Federation of the Catholic University in Talcahuano (FEUCT). The details were given yesterday in a communique released by the headquarters of the Talcahuano, Penco, and Tome State of Emergency Zone.

It was reported that a security check was made on 9 July throughout all the neighboring areas of the La Tortuga Coliseum prior to a visit by President Pinochet.

The communique adds that permission for the inspection was requested from FEUCT Principal Homero Larrain.

In the FEUCT offices "the authorities found many materials necessary for the preparation of incendiary bombs, including acids, inflammable liquids, and fuses. They also found blunt instruments, sticks, chains, slings, rocks, and tire piercers that could be used against buses, as well as ski masks and many medical supplies needed for a clandestine first-aid clinic."

FARC'S ARENAS SAYS TRUCE 'IN PERIL'; ARMY DENIES

PA170244 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 15 Jul 86

[Text] Bogota -- The Colombian Ministry of Defense has confirmed that the Army clashed with FARC fronts in several departments. According to Army sources, the rebels ambushed military patrols. During these clashes, the guerrillas sustained at least 10 casualties. The fiercest clash took place in the Medellin sector of [name indistinct] and Meta. FARC members attacked a military group, but the offensive was repelled. Here, (?eight) rebels were killed. Operations continue in the region. Other clashes were reported in Caqueta, Antioquia, and Santander, in which the subversives sustained several casualties.

The Patriotic Union, the FARC's political wing, has said that the Army has started an offensive against several fronts in (Cagua).

Speaking on behalf of the guerrilla group's general staff, Jacobo Arenas said that the truce is in peril, and charged that combat planes are flying over the refuges of FARC leaders in a harassment operation.

The Army spokesman denied the FARC reports and said that the operations are the result of the guerrilla attacks.

SUBCOMMISSION REVIEWS CHARGES AGAINST PRESIDENT

PA172348 Bogota Television Service in Spanish 0000 GMT 17 Jul 86

[Text] Seven months ago, citizens Antonio Quinonez, Eduardo Fonseca, and Alvaro Sanchez, and more recently Attorney General Carlos Jimenez, filed charges against President Betancur and Defense Minister Miguel Vega before the Chamber of representatives Arraignment Commission [Comision de Acusacion]. According to the complainants, both the president and the minister abused their authority in recovering the Justice Palace after the M-19 occupied it by force.

A subcommission headed by Carlos Mauro Hoyos, which is investigating the charges, has found the accusations to be legally and politically unfounded and consequently has recommended dropping the charges against the president and the minister and, naturally, that they not be tried.

[Begin Hoyos recording] In this case, we have concluded that it was a typical action carried out by the government -- by the president of the republic -- under circumstances affecting the public order. [end recording]

According to the members of the subcommission, the charges should be dismissed. However, it is up to the Chamber of Representatives Arraignment Commission to decide whether or not to follow the recommendation. In any event, the commission will most likely dismiss the charges against the president and the defense minister.

ARMED FORCES OPPOSE AMNESTY FOR VARGAS, BUCARAM

PA180034 Quito Voz de los Andes in Spanish 1130 GMT 17 Jul 86

[Text] The Armed Forces have issued a statement against the possibility of granting policy amnesty to Abdala Bucaram [former mayor of Guayaquil] and Frank Vargas [former Air Force commander].

The military communique reads as follows:

In the face of several statements concerning eventual amnesties, the Armed Forces consider it their duty to state the following to the Ecuadoran people:

The Armed Forces are absolutely apolitical and have no intention of harming any Ecuadoran citizen. However, it is their duty to guarantee respect for the state's juridical order and to safeguard the institution's dignity and stability.

The current Constitution specifies that the National Congress can grant general amnesty for politiccal crimes in Article 59, clause K. Lieutenant Colonel Frank Vargas and Lawyer Abdala Bucaram -- who would supposedly be granted the amnesties -- have been charged by the judicial authorities not with political, but with military and common crimes, following the proper procedures, before competent judges, in accordance with the laws on the subject.

Consequently, in the case of the aforementioned citizens, a political amnesty is not applicable.

The Armed Forces must be loyal to the nation and therefore will vigorously defend its existence, structures, and constitutional order.

BRIEFS

OIL CONTRACT TERMINATED -- The Ecuadoran State Petroleum Corporation, CEPE, has terminated a contract with the Jamaica Company to sell it 12,000 barrels of crude oil per day, due to the company's failure to make monthly shipments in April. A long-term contract will be signed with the ENAP Company of Chile to sell it 2,000 barrels per day up to December and 4,000 barrels per day beginning in January 1987. [Summary] [Quito Voz de los Andes in Spanish 1230 GMT 15 Jun 86 PA]

IMPORTANT OIL DISCOVERY -- The CEPE [Ecuadoran State Petroleum Corporation] - Texaco Consortium has officially announced the discovery of approximately 60 million barrels of petroleum reserves in the Huanta field. The discovery, which is the most important so far this year, is located in (La Amazonia), north of the CEPE-Texaco joint operation area. [Summary] [Quito Voz de los Andes in Spanish 1130 GMT 24 Jun 86 PA]

COMMITTEE HEARS DANISH SHIP ARMS CASE REPORT

PY171618 Madrid EFE in Spanish 0205 GMT 17 Jul 86

[Text] Lima, 16 Jul (EFE) -- According to a report submitted by the Navy and Foreign Ministries, the Danish ship Pia Vesta was carrying weapons, and the company which chartered it -- Shipping, of Copenhagen -- wanted to conceal the nature of its cargo and destination.

The report was read here today during a session of the Congressional Standing Committee, which ordered an investigation into the case just a few days after another investigation, conducted in Panama, had revealed that the Pia Vesta had been in Peruvian waters in early June.

The report adds that the shipping company declared that the cargo, which consisted of 99 packages that included 32 special trucks, replacement parts, equipment, and several accessories, with a total weight of 204,300 kg, was to be transported from the GDR port of Rostock to the Peruvian capital port of El Callao.

The report says that when the Panamanian authorities decided to conduct an investigation while the ship was in Balboa, the Pia Vesta was found to be carrying, in addition to the 32 trucks, 1,500 light automatic rifles and 1,500 antitank grenades.

According to the report, the cargo documents, allegedly issued in Rostock, are incomplete and contradictory and "should not have passed unnoticed by the captain of the ship, who has more than 30 years of experience." The report adds that the captain tacitly accepted a cargo with inappropriate documents.

It has been confirmed that some documents were forged, like the certificate allegedly issued by the Peruvian naval attache to the Peruvian Embassy in Washington. The signature of Rear Admiral Julio de los Rios, which erroneouly made him appear as the naval attache, was also forged.

The report adds that other intelligence agency reports and information provided by Peruvian foreign missions aboard are awaiting analysis to supplement "the conclusions on the weapons smuggling case."

Foreign Minister Allan Wagner on 11 July said that the Pia Vesta did not anchor at any Peruvian port and that it did not unload any cargo in Peruvian territory.

Press reports have said that the ship might have unloaded arms in Peru.

CABELLO INSTALLED AS REPUBLICAN GUARD DIRECTOR

PY161328 Lima Canal 9 Television in Spanish 0315 GMT 16 Jul 86

[Text] Interior Minister Abel Salinas this morning presided over a ceremony during which General Faber Oscar Cabello Caceres was installed as superior director [director superior] of the Republican Guard. Cabello Caceres, formerly the Republican Guard director general, demanded irreproachable conduct from the force.

Salinas, who arrived at 1100 at the Republican Guard headquarters in Rimac district, was received by police Superior Director Lieutenant General Carlos Rodriguez Tirado. The officer in charge of the ceremony asked the interior minister for permission to begin the formal act. After saluting the flag and singing the national anthem, a member of the force read the decree declaring that the post of Republican Guard superior director has been vacant since the dismissal of General Maximo Martinez Lira.

TERRORISTS ATTACK 3 BUILDINGS IN LIMA

PY172026 Madrid EFE in Spanish 1605 GMT 17 Jul 86

[Text] Lima, 17 Jul (EFE) -- Some terrorists last night bombed the electoral registry in the Lima district of Villa El Salvador and a state-run restaurant in Santa Marina, in El Callao sector, port of Lima.

According to eyewitnesses, the terrorists managed to enter the electoral registry and took approximately 100 blank ballots and other material related to the municipal elections, scheduled for November 1986.

The attackers entered the building after hurling some explosives against the front door.

In Santa Marina, the Virgen de Fatima restaurant was also damaged; one person was slightly injured.

A building of the state enterprise "Centromin Peru" was also attacked. These three attacks took place within half an hour of each other, and occurred 2 hours before the curfew, which begins at 0100 in Lima and Callao.

DRUG TRAFFICKERS KILL PEASANTS IN HUANUCO

PY180125 Madrid EFE in Spanish 2340 GMT 17 Jul 86

[Excerpt] Lima, 17 Jul (EFE) -- Four peasants were killed and a policeman wounded during an attack perpetrated by drug traffickers against workers of a project sponsored by the Peruvian Government. The program is designed to eradicate the coca crop in Huanuco Department, in northern Peru.

It was reported in Lima today that some 40 drug traffickers used rifles and grenades to attack a group of 150 peasants. The peasants were destroying the clandestine coca crops to replace them with other crops; they were protected by police patrols.

The deaths of the 4 peasants brings to 23 the number of people killed as a result of the attacks perpetrated by drug traffickers against the workers who are erradicating the coca crops. [passage omitted]

BRIEFS

INFLATION RATE -- The National Institute of Statistics has reported that inflation for the first half of 1986 stands at 28.5 percent. [Excerpt] [Lima EL COMERCIO in Spanish 2 Jul 86 p A1 PY]

PRESIDENT ANNOUNCES CANAL RIGHTS CAMPAIGN

PA180006 Panama City LA ESTRELLA DE PANAMA in Spanish 16 Jul 86 pp A-1, A-12

[Excerpt] President Eric Arturo Delvalle has announced the launching of an international campaign, in every forum necessary, to express Panama's need for justice and the correct interpretation of the Torrijos-Carter Treeaties. He announced this after listening to a detailed report submitted by Oyden Ortega on the recent meeting of the Canal Commission Board of Directors, during the Cabinet meeting held yesterday, 15 July, at the Presidential Palace.

The Panamanian members of the Canal Commission and the main leaders of the parties that comprise the National Democratic Union, UNADE -- Carlos Eleta Almaran, Ramon Sieiro, Alberto Arango, Romulo Escobar Bethancourt and Carlos Velarde -- attended the Cabinet meeting.

President Delvalle said it is necessary to appoint several commissions formed of distinguished members of the parties that comprise the UNADE, who are familiar with the subject, to analyze various issues related to letter and spirit implementation of the Torrijos-Carter Treaties. This includes Law 96-70, approved by the U.S. Congress, which is causing so many problems for the country, the widening of the Culebra Cut, and the correct use of the reverted areas, especially those linked to housing segregation and accounting.

With the findings of these commissions, President Delvalle said, we will be in a real position to plan what we are going to do about the implementation of the treaties. He said: "We are going to be in a position to operate the canal in the year 2000, and we are going to see that our rights are respected."

He also announced that there will be a permanent dialogue with our representatives on the Canal Commission Board of Directors -- whom he congratulated for the patriotic job they are doing -- so that when they attend the Canal Commission meetings, they will feel sure that here are 2.5 million Panamanians supporting them.

Finally, President Devvalle criticized the North Americans' self-serving explanation for denying Panama the 10 million balboas it is entitled to annually, according to the Torrijos-Carter Treaties. "It is really a shame and a pity," he said. [passage omitted]

PAPO CCALLS FOR 'NATIONAL REORGANIZATION'

PA162105 Panama City LA PRENSA in Spanish 15 Jul 86 p 9-A

[Excerpt] The People's Action Party (PAPO) has issued a communique saying that Panama is immersed in a state of disease and physical, mental, and social decay, problems which are the responsibility of the government.

Due to this situation, the PAPO believes what is urgently needed is a national reorganization, which should be carried out by a national constituent assembly called by a provisional government made up of the decent people in the country. [passage omitted]

ESQUIVEL DISCUSSES ECONOMY, FOREIGN POLICY

FL172204 Bridgetown CANA in English 2021 GMT 17 Jul 86

[Text] Bridgetown, Barbados, July 17, CANA -- The Belize Government has reported progress in its efforts to diversify the economy. Prime Minister Manuel Esquivel said the 19-month old government has been active with the aid agencies such as the United States Agency for International Development (USAID), the European Community, and the World Bank plus Britain in steering Belize away from dependence on sugar.

He specifically mentioned efforts to increase vegetable production. Citrus has been doing very well these past two years, and we are grateful that, very soon, we may see the start of a large citrus production, particularly as a result of the Coca Cola foods investment, Esquivel said in an interview with Caricom perspective, published by the Caricom Secretariat. Coca Cola last year acquired more than 50,000 acres of land for citrus production.

The Belize prime minister said, however, that while banana production was showing progress, the sugar industry was still plagued with problems. Last year there was a cutback in production, the price of course was also very very low, so there was a significant drop in export earnings. This year and, henceforth, sugar earnings are going to be low, because the industry is now pegged at about 80,000 tons production a year, Esquivel said.

Esquivel said there had been an improvement in the country's fiscal position which he described as very weak when his United Democratic Party administration assumed office in December 1984. Our payment situation was really critical, we found ourselves in a position of having 12.5 million dollars in debt arrears, and at the very beginning of our earnest readjustment programme. All of this fell into our lap. We've been struggling in those 15 months to honour that situation. Happily we have succeeded, Esquivel said. He said Belize had cleared the arrears of debt, was up to date in its debt payments, and would soon complete its programme with the International Monetary Fund.

In the area of foreign policy, Esquivel said Belize had been trying to become more active in the Caribbean at a purely political level and alluded to high-level representation at Caricom meetings and participation in the Caribbean Democratic union, a grouping of right-wing political parties in the region. The prime minister said Belize was also actively seeking to become more involved with the Central American countries, having overcome its reluctance as a result of the long-standing territorial dispute with neighbouring Guatemala.

He said the country's population problems had worsened because of the high level of immigration by Central Americans fleeing political violence. (?This) is why we are so determined to attract investments in Belize. We have a small market, we have a small economy and a very small pool of money. If we going to grow, it will have to be by outside investment capital, Esquivel said.

He said Belize's relationship with the United States was fundamentally not government to government, but business to business. That is, we have established links with business communities in Houston, Miami, Los Angeles, etc., where we are trying to develop interest in Belize and encourage investment from that area, Esquivel said.

EL SALVADOR

18 U.S. PRIESTS, UK NEWSMAN ARRESTED IN SUCHITOTO

PA172129 San Salvador LA PRENSA GRAFICA in Spanish 17 Jul 86 p 15

[Text] About 18 U.S. Catholic clergymen and 1 British journalist were arrested yesterday in Aguacayo, Suchitoto.

On 15 July they were accompanying approximately 600 persons who had been relocated from this area to San Salvador, but who had decided to return to Aguacayo.

The U.S. clergymen supported the movement of the displaced persons and went to Aguacayo on 15 July.

Richard Haward is among the U.S. clergymen who were arrested, and the arrested British journalist is Raul Shade Seiko.

None of them had authorization to enter this area, which is considered very dangerous, as the Army is searching for terrorist redoubts as part of its "Operation Phoenix," which is being run from Guazapa.

The displaced persons traveled on their own, and the clergymen joined the caravan. Neither the clergymen nor the British journalist had safe-conduct permits, and therefore the Army decided to do something, the military spokesmen said.

All of the clergymen come from California and are led by Father Richard Haward and Jesuit priest Michael Campbell, who is another of the priests who were arrested and might be released shortly.

We consulted military sources from Suchitoto and San Salvador concerning the arrests. We were told that the Construction of El Salvador prohibIts foreigners from meddling in Salvadoran affairs.

The Constitution also bans Salvadorans from meddling in political issues of other countries in the manner that the California priests have done, which led to their arrest in Suchitoto.

The military authorities arrested the priests and the British journalist who were going to Suchitoto.

Expelled To Guatemala

PA172148 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 17 Jul 86

[Report by Raul Beltran]

[Text] Good afternoon to the YSkL audience. As we have been reporting since yesterday morning, when a group of U.S. religious persons was arrested, we want to report that at this time the 24 foreigners, most of them U.S. citizens, are already on their way by land to the border between Guatemala and El Salvador. They have been expelled by the government of the Republic. We repeat, the government of the Republic, in accordance with provisions in the immigrations laws, has decided today to expel from El Salvador 24 foreigners, including 22 U.S. citizens and 2 Canadian citizens.

According to a report from official spokesmen, who asked not to be identified, they have violated the laws of this country -- among them the immigration laws -- have abused the civilian authorities, and have endangered the lives of more than 300 Salvadorans by taking them without any consultation to a conflict-ridden area in the northern part of Cuscatlan Department.

Likewise, diplomatic sources accredited in this capital have also confirmed that today, at approximately 1100, the 24 foreign citizens were taken out of the Treasury Police quarters, where they had spent last night. The 24 foreigners have been sent to the border between Guatemala and El Salvador, and once they reach Guatemalan territory they will travel to the United States. According to the information Radio Caden YSKL has received, this is the first mass expulsion of U.S. citizens that has occurred since the conflict in El Salvador intensified. We should also mention that a U.S. Embassy official accompanied the delegation of the 24 foreigners traveling by land to the border with Guatemala.

Gen Blandon Comments

PA172136 San Salvador Radio Cadena YSU in Spanish 1530 GMT 17 Jul 86

[Statement by General Adolfo Blandon, chairman of the Salvadoran Joint Chiefs of Staff on 17 July -- live or recorded; monitored in progress]

[Text] ...there are 24 people who are in the hands of the immigration authorities at the Treasury Police. Without authorization, they entered an area of conflict that is under military control. This area is being used for a permanent military operation. They risked the lives of more than 300 people, using the excuse that they were going to repopulate the area of Aguacayo and El Barillo. The Army implemented a Marshall Plan in that area and we are currently holding a census on all the people who had left Aguacayo. We have the means to help them repair their homes and begin working their land. The foreigners came here unexpectedly, took several families from the shelters, and surprised the Suchitoto authorities. These people were detained in Aguacayo. As I said earlier, these 24 people, including 2 Canadians and I believe 2 Salvadorans also, are in the hands of the immigration authorities and they will have to leave the country today because they had not been authorized to enter the area.

REY PRENDES REJECTS DEBATE PROPOSED BY FMLN

PA180028 San Salvador Radio Cadena YSU in Spanish 1800 GMT 17 Jul 86

[Text] At noon today Julio Adolfo Rey Prendes, minister of culture and communications, rejected the proposal for a debate on a national radio and television network that was announced last night by the guerrillas on their radio station. Regarding this matter, the minister of culture and communications stated the following:

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PA180028 San Salvador Radio Cadena YSU in Spanish 1800 GMT 17 Jul 86

[Text] At noon today Julio Adolfo Rey Prendes, minister of culture and communications, rejected the proposal for a debate on a national radio and television network that was announced last night by the guerillas on their radio station. Regarding this matter, the minister of culture and communications stated the following:

[Begin recording] [Rey Prendes] President Duarte has already given his opinion on the subject. I would not like to say anything until I talk with the president, because I am a Cabinet member. The only thing I can say is that we are worried about the dialogue becoming a forum, a debate, a publicity show, or a publicity competition.

If we use a forum for a public discussion, much publicity and propaganda would be created by both sectors. This does not mean that this could not be possible on another occasion, but now we want to work in private, without the pressure from the national or international public. We want to sit down quietly to seek the roads for peace and to try to settle the conflict. What they want has nothing to do with the search for peace. They are proposing a competition to see who can create the most publicity, who can speak better or who can offer the prettiest things to the Salvadoran people.

[Reporter] The guerrillas have said that President Duarte stated that he would like to see Shafik Handal face to face with Joaquin Villalobos, and they have also said that this debate would be different from a dialogue.

[Rey Prendes] But that is what I am saying. We are working on a dialogue, and this is something different. If they are two different things, we have to study them at different times and not when we are seeking the mechanisms for a dialogue. [end recording]

These were statements by Julio Adolfo Rey Prendes, minister of culture and communications, who refrained from making any more comments regarding a proposal for a national debate which was announced by Radio Venceremos last night and in which they suggest the presence of Guillermo Manuel Ungo, Ruben Zamora, Shafik Handal, Joaquin Villalobos, and four top-ranking government officials.

VENCEREMOS ON ARMY COOPERATION WITH HONDURAS

PA170304 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 16 Jul 86

[Text] Attention, attention, we have just received an important report. Arce Battalion units, which are located in the northern zone of San Miguel, are operating both in Salvadoran and Honduran territory. Attention to this report:

Arce Battalion units, led by Colonel Mauricio Staben, have currently taken up positions in Honduran territory. Confirmed reports reveal that the Arce Battalion troops are inside Honduran territory, at the following places: El Jicaro, El Junquillo, La Junta, and San Juan. All are located on the border with San Miguel Department, separated by the Torola River, which defines the border between the two countries. The Arce Battalion troops are posted in Honduran and Salvadoran territory.

The Salvadoran Army has entered Honduran territory and this is well known by the Honduran Army's command. All this was coordinated some time ago to avoid a possible clash between the two armies. The report indicates that Honduran Army troops have joined the Arce Battalion troops, cooperating and coordinating this operation in the border areas north of San Miguel Department and inside Honduran territory.

The information adds that the battalion chief in Marcala, Honduras, is the one in charge of coordinating the Honduran Army's actions with the Salvadoran troops, which maintain positions inside Honduran territory. The action is being carried shortly after it was reported that Honduran troops penetrated Salvadoran territory in the zone of Arcatao, Chalatenango Department, where they wounded several Salvadoran citizens, including children, living in Arcatao jurisdiction.

This confirms the Honduran Army's presence and direct participation in the operations that the Salvadoran Army is currently carrying out in the border zone. The Honduran Army is already participating in the Reagan administration's plans, and has been instructed to cooperate with the beaten Salvadoran Army. We will continue to report on the situation which has arisen in the northern San Miguel Department and Honduran territory.

GUATEMALA

ECONOMY MINISTER CONFIRMS TRADE SUSPENSION

PA172357 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 17 Jul 86

[Text] The Economy Minister has confirmed the suspension of Guatemalan exports to Costa Rica. Ministry officials said that a process of negotiations at the government and Central Bank levels in Central America is underway to resolve existing trade and economic problems. This is a dialogue that has not concluded, they said, and thus, the Costa Rican decision has caught the Guatemalan Government by surprise.

The Guatemalan economy minister will head the delegation that will leave for Costa Rica right away to attend a meeting that was scheduled at a recent meeting held in Guatemala. Economy experts and Central Bank executives are also members of the delegation that will attend this meeting. Its agenda was expanded because of the Costa Rican decision to close its borders to Guatemalan exports.

Guatemalan officials do not believe in the justification used by Costa Rica to close its borders. According to that country, this measure was taken because Guatemala was late to the meeting that was already convoked. However, Guatemalan officials said that the country's tardiness was justified.

Guatemala's debt, estimated at 70 million Central American pesos, will be paid through special mechanisms that will include a periodic amortization. However, these mechanisms will be established at a meeting of Central Bank executives to begin in San Jose today, or tomorrow, at the latest. Local officials said that the Central American trade, which will be discussed by the economy ministers, shows a surplus in favor of Guatemala because its exports surpass the imports from these countries. If no agreement is reached, Guatemala will close its border to Costa Rican trade.

We do not believe in extremes, but Guatemala would be forced to take reciprocal measures if Costa Rica decides not to reconsider the measures to close the border to Guatemalan exports, the Guatemalan deputy minister for economic integration noted.

According to certain economists, there is intransigence and pressure on the part of Costa Rican production and government sectors. But all this will be resolved through a dialogue and the implementation of correct measures for the establishment of reciprocal commitments, particularly regarding debts and the payment of them.

NICARAGUA

INTERSPUTNIK SYSTEM DEDICATED WITH USSR

PA171841 Managua Domestic Service in Spanish 1815 GMT 17 Jul 86

[Text] We would like to announce that the Intersputnik system between Nicaragua and the socialist countries was dedicated a few minutes ago. The ceremony was presided over by Companero and Commander of the Revolution Daniel Ortega Saavedra, president of the Republic, and the vice president of the Republic. The Soviet communications minister [Vasily Aleksandrovich Shamshin] also attended this beautiful ceremony of solidarity between the Soviet people and government with the Nicaraguan people and Government. Thus, we now have an Intersputnik system to improve our communications with Europe.

EPS HEADERS DISCUSS RESPONSE TO CONTRA AID

Capt Wheelock on Airspace

PA172152 Managua Radio Sandino in Spanish 1938 GMT 17 Jul 86

[Text] Captain Ricardo Wheelock, chief of EPS military intelligence, today held a news conference to give details of the military situation in the past 6 months. Wheelock said that an important factor was the EPS tactical defeat of the FDN forces carrying out criminal operations in the 5th Military Region. Wheelock said that the CIA instructed the FDN to operate in Chontales, but since it was unable to carry this out they have gone back to the old 1983 plan of operating in Jinotega and Matagalpa.

The military intelligence chief detailed the military actions carried out by the United States which include the Air Force, the Navy, and the supply of military materiel to the Central American Armies. Nicaraguan airspace will be closed tomorrow, and any airplane that tries to enter Nicaraguan airspace without permission will be downed by antiaircraft artillery, EPS military intelligence chief Ricardo Wheelock said. We will now present part of the military report given by Capt Ricardo Wheelock:

[Begin recording] From our viewpoint, the following is much more important because it gives them some tactical and operational capacity. That is the constant supply by the U.S. forces of intelligence data gathered by the technical means of the U.S. Army, Navy, and Air Force which is then delivered to a CIA information center which then passes it to the FDN forces.

During this year, the United States has carried out 121 espionage flights against the Republic of Nicaragua. I will briefly describe to you in general the functions of some of these planes. For example, there is the RC-135 airplane. This airplane has carried out 47 flights in the past 6 months. Through this airplane, the United States gathers, like a vacuum cleaner, all the electromagnetic spectrum of Nicaragua. In other words, it listens to radio, and telephone calls, telex, and everything that is in the electromagnetic spectrum. In addition, this aircraft's radiogoniometer marks the location of the EPS radio stations. This permits them to have a daily picture of the EPS radio stations. This permits them to have a daily picture of the EPS troops. It is evident to us that this radiography of our troops' deployment is delivered to the FDN.

They flew 13 missions with the U-2 or TR-1 aircraft, which is equipped to carry out strategic radio location and photography operations. That is to say, with these aircraft, they have photographed all those elements such as airports, sea ports, and military units to be able to neutralize us. We must say -- for the good of photographers -- that this aircraft's cameras have a resolution capacity of 50 cm. That is to say, if I get out of this building while one of these U-2 aircraft passes overhead to observe the Intelsat satellite, excuse me, I mean the Intersputnik communications center, the picture taken by this aircraft's cameras can tell whether I have shaved or not. Such is the resolution ability of these cameras.

Many other flights have taken place using C-130 aircraft. As of 12 July, 121 flights over the area have taken place. Many of these flights violate international law, according to the United States, by flying less than 12 miles from the Nicaraguan coast. Some of these missions have been flown six miles from the Nicaraguan coast and, with imperialist arrogance, so low they could have easily been within the range of the EPS antiaircraft guns.

I was saying that the U.S. military presence [words indistinct] but also with the flights from Honduras and Costa Rica against our territory, violating our airspace as follows:

From Honduras, as of 11 July there were 152 flights of the following nature: 23 flights to supply counterrevolutionaries and tactical surveillance flights by U.S. planes. They have since been using two planes of the type that were used in Vietnam. One of the planes is known as the U-21 F. This plane is used to tactically locate troop positions. The other plane, which is also a U.S.-made plane, is the VE-1. They also use Honduran Air Force resources, small twin-engine planes, and helicopters. There were a total of 152 flights, and 100 percent of these flights took place over the war zones: the 1st Military Region, the 5th Military Region, and the 7th Military Region.

From Honduras, the Central American [word indistinct] we have had 161 flights. But we have had more tactical espionage flights from Costa Rica than from Honduras.

Also, there were flights, one of them was in fact an air attack. One of the flights was an air attack. There have been refueling and exploration flights. In all, the contras, the United States, or the countries I have already mentioned have conducted 313 flights in all.

The U.S. military presence in Honduras has allowed them to build the following (?installations): They have built four helipads in Garcia a Dios and Olancho Departments; docks, fuel depots, and two landing strips were built; landing strips were expanded. In southern Honduras, radar complexes were established which point at the Republic of Nicaragua and which are in Tigre Island, Choluteca, San Marcos de Colon, [name indistinct] hill. A canal was dug in Charatasca Lake. The Palmerola Air Force Base was expanded. Landing strips were built in Costa Rica. Highways were built in the area along the border with Costa Rica as well as along the border with Honduras.

Also, Honduras received nine sets of communications equipment in addition to the following war materiel. I am not going to give quantities, I am just going to give a listing: 155-mm [words indistinct], 106.7-mm mortars, infrared scopes, A-37 airplanes, over 30 CH-135 helicopters, [words indistinct]. Costa Rica received patrol boats. Honduras got lighting systems and radio direction finders as well as large quantities of parts, ammunitions, and rockets. Anti-insurgency contingents, a radar squad, and an artillery school were created in Honduras. As for Costa Rica, an antiterrorist commando unit was established in San Jose, Costa Rica.

It is also worth mentioning that U.S. forces will deliver over 74 helicopters to El Salvador, which greatly enhances the capacity to transport troops by air. [Words indistinct] is one of the most important aspects of the U.S. presence.

Looking back to 1983, we can clearly see that the U.S. Army, that is, the U.S. Armed Forces, the U.S. intelligence and Government have been gradually aggravating the Central American problem from military, political, economic, and diplomatic viewpoints, as well as from all the angles of the problem.

Briefly, let us now mention some broad ideas, because we are not going to provide the information we have on the FDN and the counterrevolutionary forces. We can say in general terms that the counterrevolutionaries do not add up to 9,000 men, and the FDN does not add up to 8,000. What has the FDN done up to 8 July 1986? As you will notice in the cases we have referred to, the FDN has not carried out one single important military action. It has not occupied any town, not even a small village. In the wide field in which it has been operating, the field of operations which we have reduced, the only thing that the FDN can account for are actions considered by international law as terrorist acts.

We can honestly report that the EPS has managed in the past years to reduce the FDN's field of operations by many kilometers and also the counterrevolutionary forces and the FDN also [words indistinct].

The FDN's [word indistinct] plan was conceived aiming at Military Region No. 5 as its target, which comprises Chontales, Boaco, and the southern part of Zelaya Department, as its strategic goal. But since it could not carry out its plans because of our troops' presence, it decided to return to its 1983-1984 plan, which had Matagalpa and Jinotega as its target. What does it mean? It means that forces of the Jorge Salazar Rask Force have been pulled out from Boaco and Chontales, to participate in the Matagalpa-Jinotega operation.

[Words indistinct] casualties of the FDN up to 8 July 1986: 2,919 dead, 992 wounded,, and 333 prisoners. This makes a total of 4,248 casualties [figures as heard]. The EPS casualties are: 116 dead, 85 wounded, and 233 kidnapped, for a total of 434 casualties. This is a general outline of the most important aspects of the military situation. [end recording]

Hugo Torres on U.S. Army Moves

PA170159 Managua Radio Sandino in Spanish 1200 GMT 15 Jul 86

[Text] The Sandinist defense forces are ready to face whatever situation may arise from the assignment of funds to the counterrevolutionaries. Hugo Torres, chief of the EPS Political Directorate, has stated that because the assignment of funds to the counterrevolutionaries could have unpredictable consequences, the Sandinist defense forces have already drawn up a military strategy and are making a giant effort to face the worst kind of situation.

Speaking to ANN, the Sandinist leader alerted the Nicaraguan people to the recent moves the U.S. Army has been making near the Nicaraguan coasts, moves that have growing support from Central American countries. He said that recently, the 82d Airborne Division of the U.S. Army [as heard], based in Fort Bragg, North Carolina, has approached on several occasions near Nicaraguan points, and military spokesmen have warned about the presence of (ACR-24) ships and U.S. frigates in the Pacific.

Commander Torres reported that this year there have been 122 exploration flights by (RC-135), (S-130), U-2, and C-130 U.S. airplanes gathering intelligence for the counterrevolutionaries.

Referring to growing U.S. military preparations, Torres mentioned the recent expansion in Honduras of airfields that are only a few kilometers from the Nicaraguan border; C-130 and C-141 planes can land in those fields.

He also said that since 1981 some 80,000 U.S. troops have participated in the military maneuvers that U.S. and Honduran soldiers have been holding in Honduras.

In spite of continuous harassment from the reactionary forces being supported by the U.S. Government, the Nicaraguan Army has been defeating them at the strategic level, Commander Torres said. He noted that in 1985 the EPS inflicted 6,000 casualties on the contras.

The Sandinist defense is aimed at confronting, resisting, and defeating any eventual U.S. invasion, and our forces are always on the alert, Commander Torres told ANN. Commander Torres concluded by stating: We Nicaraguans can celebrate the revolution's anniversary in Esteli or in any other northern city.

ARCE VIEWS U.S. AID FOR C.A. REGION

PA170351 Managua Radio Sandino in Spanish 1930 GMT 16 Jul 86

[Text] Commander Bayardo Arce Castano, deputy coordinator of the FSLN Executive Commission, today thoroughly analyzed the Central American situation during the ceremony to open the Latin American and Caribbean Youth Workshop for Peace and Nnintervention.

Commander Arce said that the Reagan administration's views about the democratization process in the area are groundless if one considers the U.S. arms buildup in Central America in the past few years. The Sandinist leader said that only during the past 4 years, the amount of arms delivered to Central America by the Reagan government equals 89.2 percent of all the arms delivered to the region in the last 32 [as heard] years. On declaring the event open, Commander Arce urged the youth to form a great unity to defend peace and nonintervention. He said that because of the U.S. aggression, the Nicaraguan revolution has cceased to belong only to the Nicaraguans, and now is the heritage of all of Latin America and the continent, this struggle against the U.S. empire. This is a part of speech.

[Begin Arce recording] During its 5 years of dark administration, the Reagan government has sunk the Latin American peoples deeper into poverty, famine, and desperation. Later, when these peoples sought to shape their own destinies and form governments that correspond to their interests and which are not ruled by the intentions of this fundamentalist and neo-Monroe policy of the Reagan administration, it resorted to bombings and indiscriminate repression in El Salvador, the mercenary war against the Nicaraguan people, and open scorn for the dignity of the Honduran people, who see their territory trampled upon by AIDS-carrying troops who foster prostitution.

In one of his cynical and theatrical phrases, Reagan said the following on 14 March 1986: We are trying to establish and strengthen democracy in Central America, because democracy brings peace, and communism brings war. As you see, we are moved by very practical considerations.

Let us examine Mr Reagan's very practical considerations. The United States gave to Central America, including the Somoza regime, $203,611,000 in military aid between 1950 and 1979. But Reagan, who says he brings peace, gave the other Central American countries $1,679,124,000 worth of military aid between 1980 and 1984. This excludes 1985 and 1986. Nor does this include the millions for the counterrevolutionaries. In other words, Reagan gave the four other Central American countries -- in 5 [as heard] years, or between 1980 and 1984 -- an amount equal to 89.2 percent of all the military aid that the United States gave to Central America in 34 years, or between 1950 and 1984, including the aid for the Somoza regime.

Is there a better way to foster militarism and the arms race in Central America? While the United States delivered to the Central American governments $1.679 billion in arms between 1980 and 1984, it delivered only $901 million in economic aid during the same period. This means that more than 60 percent of the U.S. funds earmarked for Central America have been in military aid. As a result of these efforts by Reagan to forcibly subjugate the Central American peoples and surround the Nicaraguan revolution to destroy it, the number of men in the Central American armed forces has increased, between 1977 and 1985, by 360 percent in Guatemala, 160 percent in Honduras, 717 percent in El Salvador, and 396 percent in Costa Rica. Our Central American Switzerland, Costa Rica, increased the number of its armed men from 5,000 in 1980 to 19,800 at present, according to U.S. figures.

This Reagan policy has also forced the Nicaraguan people to give priority status to rifles and tanks over plows and tractors to defend themselves against aggression. We must take into consideration that, in addition to this military cooperation, the Reagan administration has carried out training exercises with its own Marines in Honduran territory, with military engineers in Costa Rica, with great forces in Central America's territorial waters. Nearly 100,000 Marines have passed through the Central American area with an incalculable quantity of arms, (?threatening) the lives of peoples who only long for peace. The United States has flooded Central America with arms and militarism, and is trying to justify this by saying that this is due to the presumed arms race in Nicaragua. Since 1981, Nicaraguan has proposed to the United States 13 points for bilateral negotiations to prevent this situation in Central America. In those points, Nicaragua expressed its willingness to sign nonaggression pacts with all of the Central American countries and to improve its relations with the United States based on mutual respect, clearly setting forth that Nicaragua poses no threat to U.S. security. Nicaragua also clearly established, however, that no Central American country should be considered a U.S. geopolitical reserve.

When we denounced the escalation in the U.S. aggression at the UN Security Council in March 1982, we said we were willing to improve our relations with the United States based on mutual respect and the unconditional recognition of our right to self-determination. We said we were willing to hold direct and frank talks with the U.S. Govenment, even in a third country chosen by common accord, so that these talks could lead to specific results. We proposed a high-level meeting between the Armed Forces chiefs of Honduras and Costa Rica. [sentence as heard]

In August 1982, Commander Daniel Ortega invited the Honduran president to meet with him in Nicaragua to reiterate Nicaragua's desire to reach an accord guaranteeing peace between the two countries. A joint Nicaragua-Costa Rica commission was formed in 1982 to settle possible disagreements between the two countries. During this same month, the Nicaraguan and Costa Rican interior and security ministers met for this purpose. Communication between Mexican and Venezuelan Presidents Jose Lopez Portillo and Luis Herrera Campins occurred in September 1982, precisely because all these efforts were not echoed in the United States.

These two presidents extended an invitation to participate in a dialogue that could contribute toward peace in the region. Nicaragua immediately welcomed this initiative.

This is how the Contadora initiative emerged. The United States has tried to boycott it since its inception by forming the so-called Central American Democratic Community or San Jose Pact, which only a few remember. This organization would include all of the Central American countries, except for Nicaragua. Fortunately, the Latin Americanist spirit that has appeared in our continent made it possible for the Venezuelan, Colombian, Panamanian, and Mexican foreign ministers to meet on Contadora Island on 8 and 9 January. This led to the initiative to seek [station breaks at this point to broadcast unrelated programming]

'MANAGUA DECLARATION' GUARANTEES INDIANS' RIGHTS

PA170431 Managua Sistema Sandinista Televison Network in Spanish 0200 GMT 16 Jul 86

[Text] Nicaragua was recognized today as the first Latin American country that respects multi-ethnic values and Indian rights. This recognition was given today during the closing of the 3-day International Symposium on Indian Status, Autonomy, and Rights held in Managua. During the closing ceremony, the Managua Declaration was also read.

Nicaraguan Vice President Sergio Ramirez and interior minister, Commander of the Revolution Tomas Borge presided over the closing of the symposium. The commissions that discussed topics regarding Indian rights read their conclusions. The reports recognized that the Nicaraguan autonomy bill respects the Indians' historic rights. Likewise, they expressed solidarity with the struggle of the Nicaraguan people for their right to self-determination and sovereignty. The Managua Declaration reads as follows:

[Begin recording of unidentified speaker] Whereas: We recognize that through the autonomy process the Sandinist people's revolutuion is striving to ensure that the Indians and communities from Nicaragua's Atlantic Coast fully exercise their historical rights;

We are truly concerned about the U.S. intentions to destroy Nicaragua's self-determination and to destroy the first example of Indian autonomy in the history of the Americas;

We declare:

1. Our solidarity with the peoples struggling to exert their rights and for their national liberation.

2. Our condemnation of the aggression the Nicaraguan people are experiencing at the hands of U.S. imperialism, as it imperils the survival of the Atlantic coast communities.

3. Our unrestricted support for the defense of the Nicaragua people's sovereignty, which is the sole guarantee that communities of the Nicaraguan Atlantic coast will effectively exert their right to autonomy. [end recording]

PARIS CLUB REPORTEDLY AGREES TO REFINANCE DEBT

PA171610 Buenos Aires REUTER in Spanish 1555 GMT 17 Jul 86

[Text] Paris, 17 Jul (REUTER) -- The Paris Club, made up of Western creditor nations, today agreed to refinance Cuba's debt, diplomatic sources reported here. The source added that the 2-day conversations between the Paris Club and a Cuban delegation headed by the president of the Cuban Central Bank, Hector Rodriguez Llompart, concluded last night with "an agreement to refinance the debt," but no further details were given. The Cuban foreign debt totals $3.5 billion, one-third of which is owed to the Paris bloc.

CASTRO SENDS MESSAGE TO VIETNAM'S TRUONG CHINH

FL172233 Havana Radio Reloj Network in Spanish 2034 GMT 17 Jul 86

[Text] Commander in Chief Fidel Castro has sent a congratulatory message to Truong Chinh on his being elected secretary general of the Vietnamese Communist Party. In his greeting, Fidel noted that the glorious cause of the Vietnamese people will continue to serve as an example and make the world's revolutionaries proud. [passage omitted]

RODRIGUEZ MEETS WITH VIETNAMESE CHAIRMAN

FL170231 Havana Radio Reloj Network in Spanish 0302 GMR 17 Jul 86

[Text] Politburo member Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, has met with Vu Dinh Lieu, deputy chairman of the Council of Ministers of the democratic [as heard] Republic of Vietnam. Vu Dinh Lieu, who is also a member of the Communist Party of Vietnam [CPV] Central Committee, is presiding over his country's delegation to the ninth Cuban-Vietnamese intergovernmental commission.

At the start of the meeting with the deputy chairman, Rodriguez expressed his grief at the death of Le Duan, CPV secretary general. During the fraternal meeting in Havana, the two leaders exchanged information on the future development of Cuban-Vietnamese cooperation and their respective economies.

DEPUTY FOREIGN MINISTER MAZOLA VISITS LIBYA

For Libyan coverage of the visit to Tripoli by Giraldo Mazola Collazo, the deputy minister of foreign affairs, including his meeting with Colonel Mu'ammar al-Qadhdhafi, leader of the Socialist People's Libyan Arab Jamahiriyah, see the 17 July Middle East & Africa DAILY REPORT and subsequent issues.

ELECTIONS SCHEDULED FOR 19, 26 OCTOBER

FL170147 Havana Television Service in Spanish 0000 GMT 17 Jul 86

[Excerpt] During its second regular session, the National Electoral Commission said the work schedule for the next elections of the peoples' government is in complaince with the initial program. At this time, voter registration lists are being revised and will be located in public areas. The nomination process will be held 25 August to 15 September, and the elections will be held 19 and 26 October, [passage omitted]

ANTIGUA-BARBUDA

INVESTMENT TREATY NEGOTIATED WITH U.K.

FL171850 Bridgetown CANA in English 1836 GMT 17 July 86

[Text] London, July 17, CANA -- Representatives of the Governments of Antigua and Barbuda and the United Kingdom yesterday completed the first round of negotiations on a bilateral investment treaty in London.

A statement from the islands' High Commission quoted Deputy Prime Minister Lester Bird, who also holds the foreign affairs and economic development portfolios, as saying that Antigua and Barbuda argued for the inclusion of a clause in the treaty which recognized the twin-island state's special relationship with other countries in the Caribbean community.

Bird said this was necessary to ensure that companies and nationals of Caribbean countries investing in Antigua and Barbuda could be granted better treatment than other foreigners.

He said that he had argued for the inclusion of a similar clause when his government settled a bilateral investment treaty with the U.S. last month in Washington.

Bird also stated that he had put forward a paper to Cabinet which proposed the introduction of legislation to retain ownership of land by citizens of Antigua and Barbuda only.

The deputy prime minister reported that yesterday Cabinet agreed to his proposal and following the meeting, he telephoned Hugh Marshall, minister in his ministry, requesting that he circulate draft legislation to the Ministry of Legal Affairs for consideration.

Commenting on the negotiations with the United Kingdom Government yesterday, Bird said that there were eight clauses which required negotiation and, after the first round, these have been reduced to two.

He said he expects that the final round of negotiations will take place before September.

Bird will be back in Antigua by weekend.

DOMINICA

CHARLES DOUBTS CREATION OF CARIBBEAN FEDERATION

FL180014 Bridgetown CANA in English 2311 GMT 17 Jul 86

[Text] Roseau, Dominica, July 17, CANA -- Dominica's Prime Minister Eugenia Charles says she does not think that a Caribbean federation is possible in the foreseeable future.

Charles, who is down to participate in a CANA radio discussion programme on the topic tonight, told reporters here that she holds the view that the region should aim for such an end, since it is desirable.

But, she added, I do not believe that in our time we are going to find people deciding to give up parts of their sovereignty...to become one country.

However, the Dominican leader said there was hope for more joint services in the region.

A previous federation of English-speaking Caribbean states collapsed in 1961.

On the possibilities of a loose federation among countries of the Organisation of Eastern Caribbean States (OECS), Charles said that although the organisation was getting close to this stage, she did not think the islands had progressed far enough to become a united state.

TRINIDAD-TOBAGO

TRINIDAD GUARDIAN ON COMMONWEALTH GAMES BOYCOTT

FL171437 Bridgetown CANA in English 1407 GMT 17 Jul 86

[Text] Port-of-Spain, Trinidad, July 17, CANA -- This month's Commonwealth Games in Scotland, hit by a boycott over Britain's failure to agree to economic sanctions against racist South Africa, should still proceed in the interest of Commonwealth unity, the TRINIDAD GUARDIAN said today.

Attacking South Africa is one thing. Weakening the commonwealth is another, said the paper in an editorial today. And there is no evidence that boycotting the games, or dropping out of the Commonwealth itself, will hurt South Africa.

So far eight Commonwealth countries, seven from Africa along with the Bahamas, have announced a boycott of the July 24-August 2 games. Barbados and Dominica have announced they will participate, while Jamaica and Trinidad and Tobago have put their contingents on hold.

The GUARDIAN went on: It is true that the present British Government is against economic sanctions, but the Conservative government is not Britain. In Britain, the opposition, trade unions, and millions of its citizens disagree strongly with their government, the paper added. The GUARDIAN pointed to the service, aid, culture, and shared institutional links which now exist within the 49-nation grouping.

There is reason for believing that the survival of the Commonwealth is as important as the bringing down of the Botha regime in South Africa.

The GUARDIAN said it understood the move to boycott the games - a move coming out of emotional response and frustration.

But, the paper added: All of this, however, has nothing to do with the Commonwealth Games and the future of the Commonwealth.

The games must go on, and so too the Commonwealth.

PNM DENIES RACE ISSUE IN CAMPAIGN

FL180010 Bridgetown CANA in English 2219 GMT 17 Jul 86

[Text] Port-of-Spain, Trinidad, July 17, CANA -- The Youth League of the ruling People's National Movement (PNM) today rejected claims by opposition politicians that Trinidad and Tobago Prime Minister George Chambers had introduced race as an issue in the campaign for the next general election.

Youth League spokesman Morris Marshall said the charges were wicked and opportunistic on the part of opposition leaders.

The history of the PNM has been one of racial solidarity and inter-racial harmony, he said in a statement.

Addressing a Youth League rally last Sunday, Chambers claime that his main rivals, the National Alliance for Reconstruction (NAR), were bent on wresting political power from a certain section of the community.

NAR officials said the statement had racial overtones and indicated that Chambers intended fighting the election on race and violence.

The opposition grouping has complained to the Christian Council of Trinidad and Tobago (CCTT) about Chambers comments, said to be in breach of the CCTTS code of conduct for the poll.

The council has written to Chambers for clarification of his comments.

Marshall said he was surprised that the statements could by taken to mean certain racial sections of the society.

FBIS DAILY REPORT CONTENTS

Latin America

Vol VI No 137 17 July 1986

INTER-AMERICAN AFFAIRS

Presidents To Meet, May Create Common Market [Brasilia] A 1
Central American Presidents To Meet in August [Managua] A 1
Madrigal on C.A. Foreign Ministers Meeting [San Jose] A 1

ARGENTINA

Joint Nuclear Energy Talks With Brazil B 1
Suarez Mason, P-2 Boss Seen in Paraguay B 1
Justicialist Office in Mar del Plata Bombed B 2
Briefs: Railroad Ties to Iran B 2

BRAZIL

PT Assemblymen Accused of Killing Itinerant Laborers [O ESTADO DE SAO PAULO 15 Jul] D 1
Briefs: Trucks to PRC; Paper to Finland; Coal to Italy; Coffee to GDR D 1

CHILE

Navy Said To Frustrate Pinochet Purge Attempt E 1
Stange Rejects Intervention in Domestic Affairs E 2
Air Force Chief Says Direct Elections Possible E 3
Civic Assembly Leaders Indicted by Judge E 4
100 Students Take Over Catholic University E 4
    Carabineros Remove Students E 5
Daily Interviews PSD President Abeliuk [LA TERCERA DE LA HORA 6 Jul] E 5
Briefs: Nitrate Exports to PRC E 8

COLOMBIA

ELN Claims Responsibility for Pipeline Blast F 1
Pope Issues New Appeal to National Guerrillas F 1
Electoral Council Concludes May Elections Tally F 2
Briefs: Chilean Envoy Leaves F 2

ECUADOR

Finance Minister on Oil Price Impact on Budget G 1
Energy Minister on Nuclear Development Field G 1
Briefs: New Guatemalan Ambassador G 1

PARAGUAY

Godoy Proposed for Colorado Presidency [LA TARDE 14 Jul] H 1
Briefs: Marijuana Seized; Minimum Wage Increase H 2

PERU

Wagner on U.S.-Contadora Relations, Debt Crisis [CARETAS 30 Jun] J 1
Minister Supports Police, Republican Guard J 3
Policemen Kidnap, Kill Industrialist in Lima J 4

URUGUAY

Decrees Modify Radio Broadcasting Regulations [EL DIA 9 Jul] K 1
Defense Under Secretary on Military Document [LA HORA 5 Jul] K 1

VENEZUELA

Lusinchi Receives Brazilian-Built Planes L 1
Consalvi Pays 4-Day Visit to Czechoslovakia [cross-reference] L 1
  Visits Yugoslavia [cross-reference] L 1

MEXICO

Ambassador to Panama on Central American Problem M 1
Gurria Initiates Foreign Debt Negotiations M 1
Senator Praises GATT Membership Negotiations M 2
  Senate Approval Scheduled M 2

CENTRAL AMERICA

COSTA RICA

Madrigal Discusses Response to Contadora P 1
  Arms Reduction Stressed P 1
  Democratic Alliance Proposed P 1

EL SALVADOR

Gen Blandon Dismisses Rebel Proposal on Armies [LA PRENSA GRAFICA 16 Jul] P 2
Rebels Challenge Duarte to Debate on Radio, TV [Venceremos] P 3

GUATEMALA

Quinones on Pastora, Habib Visits, Talks With UK P 5
Commentary Rejects Habib Visit, U.S. Policy P 6
Sosa Discusses Costa Rican Trade Suspension P 7

NICARAGUA

Tinoco Urges U.S. To Pay Damage Compensation P 7
FSLN Leaders Sign Vietnamese Condolence Book P 9
Security Efforts for Anniversary Ceremony Cited [BARRICADA 15 Jul] P 9
Bishops Send Letter to President Ortega P 10
    Nunez Tellez Replies [BARRICADA 15 Jul] P 11
Wheelock Announces Region 4 Land Explorations P 11

CUBA

Castro Visits Indian Warship in Havana Port Q 1
Vietnam's Vu Dinh Lieu, Delegation Arrive Q 1
    Talks Begin Q 1
Crombet Meets With Czechoslovak Official Q 1
Commentary on NY TIMES Report on CIA, Nicaragua Q 1
Commentary Urges Salvadoran Dialogue Resumption Q 2
Politburo Member Presides Over Enterprise Meeting Q 3

CARIBBEAN

BARBADOS

Tudor on Latin American, Communist Relations S 1

TRINIDAD-TOBAGO

CCTT Receives First Campaign Complaint S 2
Japanese Ambassador Presents Credentials S 2

SURINAME

Acting President Installs New Cabinet U 1

PRESIDENTS TO MEET; MAY CREATE COMMON MARKET

PY151434 Brasilia Radio Nacional da Amazonia in Portuguese 1000 GMT 15 Jul 86

[Text] The meeting late this month between Presidents Jose Sarney of Brazil, Raul Alfonsin of Argentina, and Julio Sanguinetti of Uruguay may serve as the basis for the creation of a Latin American common market. This statement was made by Foreign Minister Abreu Sodre.

The Uruguayan proposal for the creation of a new customs system in Latin America calls for the elimination of bureaucratic barriers and the reduction of customs duties.

CENTRAL AMERICAN PRESIDENTS TO MEET IN AUGUST

PA160227 Managua Radio Sandino in Spanish 1200 GMT 15 Jul 86

[Text] Tegucigalpa -- The Central American presidents will meet in Guatemala in August on the occasion of the 19th Convention of the Inter-American Union of Engineers' Associations, an organization spokesman reported today.

Miguel Antonio Matute, secretary of the engineers' union, said that Honduran President Jose Azcona Hoyo has confirmed his attendance at this meeting. Matute added that more than 1,200 engineers will participate in the convention, which will be held 25-29 August. The Central American presidents will take part in the convention opening only. Later, they will meet and discuss the Central American situation. The presidents met in Esquipulas on 24 and 25 May at the initiative of Guatemalan President Vinicio Cerezo.

MADRIGAL ON C.A. FOREIGN MINISTERS MEETING

PA170325 San Jose Radio Reloj in Spanish 0100 GMT 17 Jul 86

[Text] During today's ministerial meeting in Tegucigalpa, Honduras, Costa Rican Foreign Minister Rodrigo Madrigal Nieto insisted that verification and control mechanisms must be included in the Contadora document for peace and cooperation in Central America. Foreign Ministry spokesmen said that Madrigal Nieto called to report that the exchange of ideas, aimed at drafting a response to the Contadora Group's document, was highly positive. The foreign ministers of the four democratic countries, Guatemala, El Salvador, Honduras, and Costa Rica, analyzed the views of their respective governments regarding the peace document.

The joint response to Contadora will be presented next week. The foreign ministers have practically reached an agreement regarding the final response that Guatemala, Honduras, El Salvador, and Costa Rica will present to the Contadora Group. According to Madrigal Nieto's report, the joint response will be presented next week after having reached an agreement today [as heard] in Tegucigalpa. Foreign Ministry sources said that each of the four countries will present their views on the peace document, but they will form a single bloc to support the essential principles for achieving peace in the region.

JOINT NUCLEAR ENERGY TALKS HELD WITH BRAZIL

PY170234 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2005 GMT 16 Jul 86

[Text] Buenos Aires, 16 Jul (NA) -- It has been officially reported that high-ranking Argentine and Brazilian officials concluded 3 days of negotiations here on bilateral cooperation concerning the peaceful uses of nuclear energy. These talks were held in view of the visit Brazilian President Jose Sarney will make to Argentina in late July.

A Foreign Ministry communique states that the negotiations were held as part of a commitment made by Presidents Raul Alfonsin and Sarney when on 30 November 1985 they signed in Iguazu a joint statement on nuclear policy.

In the statement the two nations commit themselves to seek relations to "promote nuclear technological development and the creation of mechanisms ensuring the superior interests of peace, security, and regional development."

Argentina was represented in the talks held this week by Foreign International Relations Secretary Jorge Sabato and National Commission for Atomic Energy [CNEA] Chairman Alberto Constantini, among other officials.

Brazil was represented by Foreign Ministry Economic Department Chief Sebastiao Rego Barros Netto and Brazilian National Commission for Nuclear Energy [CNEN] President Rene Alves.

SUAREZ MASON, P-2 BOSS SEEN IN PARAGUAY

PY161456 Buenos Aires DYN in Spanish 2045 GMT 15 Jul 86

[Text] Buenos Aires, 15 Jul (DYN) -- Fugitives Licio Gelli, the brains of the Propaganda II [P-2] Masonic Lodge, and Carlos Suarez Mason, a former Argentine military chief who was heavily involved in human rights violations, are using Paraguayan passports, and in June held a meeting at a ranch that belongs to one of President Alfredo Stroessner's trusted men. This was disclosed today by the weekly HUMOR.

The magazine states that the Argentine Secretariat for State Intelligence (SIDE) had detected and even photographed ex-General Suarez Mason when he and three other individuals, among them a priest, clandestinely crossed the Argentine border to Paraguay in August 1985.

The article, the last of a series about P-2 connections in Argentina, discloses that during the Italian cabinet crisis resigning Prime Minister Bettino Craxi had received "highly confidential" documents provided by Brazilian secret services about the holding of a meeting on 4 June between Gelli and Suarez Mason at a luxurious apartment located in the Jardim America neighborhood in Sao Paulo.

Also present at the meeting between Gelli and Suarez Mason were Maurizio Gelli, Umberto Ortalani, Aldo Alasia, and Heitor Correa de Mello, according to the article by Hector Ruiz Nunez, which was based on investigations carried out by Fabian Serafini, Daniel Casas, and Cesar Massat.

The objective of the meeting was to discuss increasing the group's investments. This was done by purchasing Bancopar S.A., and the Financopar financial company, both of which are located in downtown Asuncion. Another meeting was held 10 days later at a 150,000-hectare ranch located near Mariscal Estigarribia and owned by Conrado "Teruco" Pappalardo, a friend and business partner of President Stroessner.

After describing the ranch, the article notes that Suarez Mason, Gelli and Paraguayan Labor Minister Eugenio Jacquet participated in a wild-boar-hunting expedition on 14 June.

Gelli was at this ranch until 25 June, when he travelled by car to another ranch belonging to General Andres Rodriguez, commander of the I Corps; Suarez Mason remained until 25 June at the Pappalardo ranch, according to reports submitted by the Brazilian secret services which are partially published in the weekly HUMOR.

The article, which concludes by urging the Argentine and Italian Governments to request that "the Dictator Stroessner issue the pertinent explanations," also publishes copies of the arrest order issued by Interpol against Umberto Ortolani, and Gelli's account of the Shaw bank.

JUSTICIALIST OFFICE IN MAR DEL PLATA BOMBED

PY160108 Buenos Aires TELAM in Spanish 1447 GMT 15 Jul 86

[Excerpt] Mar del Plata, 15 Jul (TELAM) -- Mar del Plata Peronist leaders have reported that a Molotov cocktail exploded late yesterday night at a Justicialist Party office, located at the intersection of Constitution Avenue and La Costa Street in Mar del Plata. The masonry was damaged but no victims were reported.

Fernando Petroni, a member of the National Coordinating Board for the Carlos Saul Menem National Unity, reported the bombing to the Mar del Plata police. Petroni also stated that he previously had received death threats over the telephone.

Petroni reported that as a result of the fire caused by the explosion, the office's facade was damaged. Glass was shattered, a door was destroyed, campaign material was lost, and pictures of Juan Domingo Peron and Carlos Menem disappeared.

Concerning the threats, Petroni told the journalists that the threats are a despicable action at a time when a democratic era is being experienced in the country and violence has been removed. [passage omitted]

BRIEFS

RAILROAD TIES TO IRAN -- The sale of 500,000 ties to the Republic of Iran has been announced in Chaco Province. This announcement was made by the director of the Cooperative of Lumber Industry Producers, who stated that the number of ties sold to Iran could be increased over the coming years. The sale price was set at $22.5 per tie. [Text] [Buenos Aires Domestic Service in Spanish 1600 GMT 8 Jul 86 PY]

PT ASSEMBLYMEN ACCUSED OF KILLING ITINERANT LABORERS

PY161426 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Jul 86 p 1

[Text] In the episode that left 2 people dead and 11 injured in Leme last Friday, the first shots were fired from an Opala car owned by th Sao Paulo Legislative Assembly and occupied by assemblymen from the PT [Workers Party]. This was confirmed yesterday in Sao Paulo by Federal Police Director General Romeu Tuma. Supporting what Ruma revealed, Justice Minister Paulo Brossard said in Brasilia that witnesses are being pressured to change their testimony in order to protect the PT assemblymen involved. The minister also said that this pressure is even being applied by "an important polical personality." Federal Police Director Tuma and Public Security Secretary Eduardo Muylaert yesterday reviewed the episodes in Leme, and Muylaert decided to comply with the request of Eduardo Matarazzo Suplicy that the witnesses be heard in the presence of representatives of the Attorney General's Office and the Brazilian Lawyers Guild. Governor Montoro said yesterday that the charge by Suplicy that the Military Police are conducting the investigations "reluctantly" is unfair.

BRIEFS

TRUCKS TO PRC -- Brasilia, 6 Jul (AFP) -- The PRC will purchase 60,000 small trucks from the Brazilian enterprise Agrale over the next 10 years. In addition to the sale of the trucks, the contract also provides for a gradual transfer of the technology used to make the trucks. [Excerpt] [Paris AFP in Spanish 1225 GMT 6 Jul 86 PY]

PAPER TO FINLAND -- Brasilia, 6 Jul (AFP) -- Klabin Industries, one of the leading Brazilian paper and cellulose manufacturers, has sold 10,000 tons of paper to Finland, which is traditionally a paper producer. Klabin will make a $3.5-million profit on this sale. [Excerpts] [Paris AFP in Spanish 1230 GMT 6 Jul 86 PY]

COAL TO ITALY -- BRASILIA, 6 Jul (AFP) -- For the first time Brazilian coal is being exported to Europe. Three Brazilian enterprises have signed contacts with three Italian groups to export 30 million tons of coal, worth $900 million, within the next 10 years. [Text] [Paris AFP in Spanish 1228 GMT 6 Jul 86 PY]

COFFEE TO GDR -- Brasilia, 6 Jul (AFP) -- Brazil has sold 100,000 bags of coffee to the GDR. This was the first coffee sale to the GDR in 1986. It is an important sale considering that during all of 1985 Brazil sold only 170,000 bags of coffee to the GDR. [Text] [Paris AFP in Spanish 1227 GMT 6 Jul 86 PY]

NAVY SAID TO FRUSTRATE PINOCHET PURGE ATTEMPT

PY161300 Madrid EFE in Spanish 0412 GMT 16 Jul 86

[By Juan Jorge Faundes]

[Text] Santiago, 15 Jul (EFE) -- According to an article published in the opposition magazine CAUCE, during the past few weeks the Chilean Navy prevented a purge that had been planned by General Augusto Pinochet. It seems that the purpose of the purge was to get rid of the Government Junta, which will not guarantee his being named the only candidate in 1989, and replace it with Armed Forces members wom he considers completely faithful to him.

According to the Constitution that the regime approved in 1980, the commanders in chief of the Armed Forces (Pinochet himself, Admiral Jose Toribio Merino, Carabineros General Rodolfo Stange, and Air Force General Fernando Matthei) in 1989 will name the sole candidate for the 8-year term. Once the candidate is named, a plebiscite will be called.

Navy Commander in Chief Adm Merino has categorically denied the CAUCE charges. Merino was questioned today, 15 July, by local reporters about the CAUCE article, which the magazine attributed to "sources who circulate within the corridors of power." His brief and cateogric answer: "It is an absolute lie."

According to the CAUCE article, Gen Pinochet decided to get rid of Merino toward the end of May 1986, just after Merino had stated on Television Challen 11 that the Constitution needed some reforms, which were to have been submitted to the Government Junta (legislative branch) by the executive branch. These reforms dealt with the manner in which the future president is to be elected.

According to the source mentioned by the publication, Pinochet ws "indignant" upon hearing Merino's comments and ordered General Julio Chanessa, the second in command of the Army, to tell Merino that he should leave the Navy command because the Army did not accept the review of the Constitution.

The article stated that while the Council of Admirals evaluated the situation, Merino decided to enter the Valparaiso Naval Hospital. According to CAUCE, that was the real illness that affected Admiral Merino for several weeks, an illness which according to official medical bulletins was gastroenteritis.

The council of Admirals, after evaluating the situation, told Pinochet that if Merino were dismissed from the Navy command andd his position in the government junta, all the admirals would also leave.

Pinochet was then forced to step back, although he made it clear that his intention was to extend his government not just until 1989, as established by the Constitution, but until 1997. Pinochet's decision to prolong his government can be considered a challenge to Merino, after what had happened. CAUCE also gives a background on how the internal coup was going to be directed against Caragineros General Director Stange. Stange, whose return from a trip to South Africa coincided with Adm Merino's illness, was to have been replaced by General Juan Batista Algeria.

The fact that the Navy prevented the coup, however, helped to strengthen the position of the Carabineros general director. When Stange returned from South Africa, reporters asked him what he thought of the Constitution's provision for a plebiscite to elect a single candidate in 1989. Stange did not want to comment "because it still too far away." With that answer, however, he showed that he still disagreed with Pinochet's plans.

According to CAUCE, Gen Algeria was named Chilean ambassador to Costa Rica as consolation for his frustrated promotion. CAUCE adds that Air Force Commander General Fernando Matthei also figured in Pinochet's plans. The three comnnanders, Merino, Stange, and Matthei, on several occasions expressed support for changes in the Constitution, and they did not appear to be certain supporters of Pinochet's sole candidacy. According to CAUCE, Pinochet's plan was to put trusted generals in the Government Junta, and then replace them with an appointed congress in March 1987.

Also, once the Government Junta was abolished, it would have been up to the National Security Council, controlled by Pinochet, to appoint in 1989 a sole candidate, who was to be confirmed by an appointed congress. The Pinochet presidential term until 1997 would then be ensured.

According to CAUCE and its "sources who circulate in the corridors of power," this actually occurred in the last few weeks, but Merino said yesterday that it is "an absolute lie." Stange and Mathei, who were also mentioned in the article, have so far said nothing to deny it.

STANGE REJECTS INTERVENTION IN DOMESTIC AFFAIRS

PY161632 Santiago Domestic Service in Spanish 1700 GMT 15 Jul 86

[Passages within quotation marks recorded]

[Text] Carabineros Commander Rodolfo Stange, who is also a member of the Government Junta, has categorically rejected foreign intervention in Chilean domestic affairs. Stange made this statement at the end of a tourism training course that Sernatur [National Tourism Service] offered to the Carabineros Corps. The high-ranking Carabineros official told RSN [National Radio Systems] the following:

"I have not talked with the admiral [not further identified] in this regard. His opinion, of course, commands respect. I cannot issue an opinion in this regard. We shall talk about it at the proper time. But I completely agree with him in that we should reject any foreign intervention in Chilean domestic affairs."

General Stange said he is aware that a letter has been submitted to the Government Junta concerning a possible presidential candidate for 1989.

"I have not received the letter, I have just read news reports about it. All this is within the framework of the Constitution, and therefore there are no problems (?in putting oneself forward) for the presidency. [Words indistinct] because it is still so far away."

The Carabineros general also referred to the letter that Chilean bishops have issued regarding the roots of violence in Chile.

"It is very interesting. Of course any opinion of the bishops is highly respected. I respect their views. (?I am a studious person). [Words indistinct] these conclusions must be studied, particularly the part about (?the loss) of lives. I am carefully studying this."

During his chat with the press, Stange also referred to the investigations being carried out by the Carabineros OS-7 Department about the two university students who were burned.

"We are subject to the orders of the special judge. I cannot give any details because [passage indistinct]."

The Carabineros commander also said that the recent retirement of some Carabinero colonels does not imply that there has been a change in the institution's guidelines. He said that all this is an absolutely routine procedure that is normal in all military organizations. He added that all those colonels who retired did so in keeping with retirement regulations.

AIR FORCE CHIEF SAYS DIRECT ELECTIONS POSSIBLE

PY162314 Madrid EFE in Spanish 2207 GMT 16 Jul 86

[Text] Santiago, 16 Jul (EFE) -- General Fernando Matthei, commander in chief of the Chilean Air Force and member of the Government Junta, today admitted the possibility of "amending the Constitution to allow direct and free elections." In an exclusive interview with the Santiago daily LA SEGUNDA, Gen Matthei declined to comment on Augusto Pinochet's recent remark that he plans to "extend" his government beyond 1989.

According to the 1980 Constitution, the commanders in chief of the Armed Forces branches will submit the name of General Pinochet's successor for a plebiscite in 1989, unless the Constitution is amended to allow direct presidential elections as the opposition demands.

Recently, the issue received front page coverage as a result of General Pinochet's remarks and the explanation given by the first lady, Lucia Hiriart de Pinochet, to the effect that the chief executive meant that he could be the commanders in chief's candidate in 1989.

As far as Matthei is concerned, "the democratic period begins in 1989, on the very same date my term in office, during which I swore to respect the Constitution, ends. Others will come, but from that day on I will have nothing to do with this." Matthei explained: "I will leave in 1989, not because of a whim or because I will be tired, but because I will have fulfilled my solemn oath."

Refusing to comment on Pinochet's remarks, Gen Matthei said: "I have to make political decisions, and I cannot comment on what others say."

Regarding the mechanism of Pinochet's succession and his own role within the Government Junta, Matthei said: "I have a job to do until that date (1989), which includes the nomination of a president of the nation, selecting the person who will be proposed so that Chileans, in a sovereign, free, secret and knowledgeable manner, can decide whom they want for president." According to Gen Matthei, his so-called duty includes deciding on a possibility of "first amending the Constitution to allow direct and free elections."

Asked for an opinion about 1989, the Chilean Air Force commander in chief said: "I believe that at that point I will have fulfilled my sworn duty, and a new stage with a congress, political parties, and everything else that makes up full democracy will begin."

CIVIC ASSEMBLY LEADERS INDICTED BY JUDGE

PY161604 Madrid EFE in Spanish 0218 GMT 16 Jul 86

[Text] Santiago, Chile, 15 Jul (EFE) -- The 14 national advisers of the National Civic Assembly [ANC] who have been in jail since 10 July were indicted today by Judge German Valenzuela, who will preside at the trial requested by the military government. The Chilean legal system applies the term "indicted" to those who are suspected of having committed a proven crime.

The military government of General Augusto Pinochet had requested the trail of 13 [as received] ANC national advisers for calling a general strike on 2 and 3 July and for incidents that resulted in 8 deaths, 100 injuries and about 800 arrests. Among those indicted is ANC President Juan Luis Gonzalez.

Others indicted are Andres Rengiffo, Ignacio Balbontin, Patricio Basso, Juan Pavez, Jose Santos Millao, Osvaldo Verdugo, Hector Moya, Maria Antonietta Saa, and Eduardo Valencia. All those indicted are leaders of the main Chilean unions and social associations which they represent at the ANC council.

Judge Valenzuela today released on probation ANC leaders Soledad Larrain, Lautaro Labbe, and Angel Maulen. Yesterday Mapuche Indian Leader Maria Lucy Traipe was released from jail.

The ANC is the largest coalition of Chilean unions, professional associations, and opposition groups that has been assembled since 1973, when General Augusto Pinochet took power in a military coup. The ANC has drafted a "Chile Demands" document which mainly proposes the need to exert pressure on the government through civil and peaceful disobedience in order to bring about the end of the military regime and the return of democracy. In view of the arrest of its leaders, the ANC today appointed a new council whose members have announced the holding of mass rallies. They have also noted that today the "Chile Demands" prevail more than ever."

100 STUDENTS TAKE OVER CATHOLIC UNIVERSITY

PY162236 Madrid EFE in Spanish 1616 GMT 16 Jul 86

[Text] Santiago, 16 Jul (EFE) -- Students from the Catholic University of Chile, headed by their president, Tomas Jocelyn-Holt, today took over its main offices, which are located in downtown Santiago. A few minutes after 1100 nearly 100 youths broke into the main office of the Catholic University, took over the offices, and padlocked all the accesses. In a document read by Jocelyn-Holt himself, the youths are demanding the reinstatement of a student leader who was "unjustly expelled," the abrogation of "resolutions favoring the adopting of unjust and discriminatory measures," and the holding of a plenary faculty that will restore a Catholic nature to the university.

In their manifesto entitled "The Catholic University Students With Pain and Courage," the youths appeal to the Catholic Church.

The manifesto states: "We want to build the university together. However, in order to accomplish this, and because of the pain of being forced to adopt measures like this, we call upon each one to assume, for Chile and Chile's future, the responsibility now required."

Carabineros Remove Students

PY170158 Santiago Domestic Service in Spanish 2300 GMT 16 Jul 86

[Excerpt] After unsuccessful negotiations, the rector of the Catholic University of Chile ordered Carabineros to evacuate 100 students who are occupying the main university building today. The trouble started at noon, when a group of students occupied the building to demand the readmission of expelled biochemistry student Dauno Totoro, who had been tried and found guilty of committing violent actions in past demonstrations.

[Begin relay by unidentified reporter] Carabineros dislodged about 100 students who illegally occupied the main building of the Catholic University today at 1100. The students were demanding the readmission of student Dauno Totoro. Despite the talks they held with Catholic University Rector (Juan de Dios Vial), they could not reach an agreement. Therefore, the rector ordered Carabineros to remove the nearly 100 students, who were subsequently arrested. [passage omitted] [end relay]

DAILY INTERVIEWS PSD PRESIDENT ABELIUK

PY120350 Santiago LA TERCERA DE LA HORA in Spanish 6 Jul 86 Section II pp 6, 7

[Interview with Social Democratic Party (PSD) President Rene Abeliuk Manasevich, vice president of the Democratic Alliance (AD), by Maria Eugenia Oyarzun at Abeliuk's office "in downtown Santiago, on the eve of the so-called social mobilization"]

[Excerpts] Oyarzun: What are the ideological principles of the PSD?

Abeliuk: The PSD follows a democratic path to build a social democratic system in which society will be more just and more humane, in which there will be more participation and solidarity, and in which the entire community will join in the task of building a political, social, and economic democracy. [passage omitted]

Oyarzun: What is the difference between the FSD and the Communist and Socialist parties?

Abeliuk: There is a big difference between the PSD and the Communist Party. The split within the socialist movement, which began in the 19th century, even before the Russian Revolution, has become increasingly deeper. Thus, there is a great difference between democratic socialism and Marxism-Leninsim, which provides the ideological foundation for communism. The socialist system we want is not statism. Socialism is not synonymous with statism. This may have been so in the beginning, but it is no longer true.

We believe that if the state runs everything, it will be impossible to build democracy, because whoever has the state in his hands has society under such tight control that it is absolutely impossible to build a democratic life. Therefore, from an ideological viewpoint, the only thing that social democracy and the old socialist doctrine share is their remote common origin.

Oyarzun: Would the PSD reach an agreement with the Communist Party?

Abeliuk: I see no chance for a political agreement with the Communists now. Obviously, we agree in that both of us want to end the military regime and restore democracy. But the paths that each of us has chosen to follow are totally different. The PSD is not engaged in a procommunist or anticommunist struggle. We believe this is a trick that the dictatorship is waving as a banner. The only danger of communisy that we see in this country is the regime's plan to use it to perpetuate itself. In fact, we do not believe a Marxist-Leninist party can win an election in Chile. The only chance for a communist takeover in Chile will come through the application of the 1980 Constitution.

Oyarzun: Don't you believe that the so-called "social mobilization," which was designed by democratic sectors, is now being run by the Communist Party?

Abeliuk: We prefer to use the expression "social pressure," because the word mobilization reminds one of troops that are being deployed for combat. Social pressure does not mean combat...

Oyarzun: Yet it is the opposition parties that have talked about mobilization!

Abeliuk: I prefer to say social pressure. As we concluded in a seminar in Caracas, the first thing we have to consider is the lesson of history and of world experience. No dictatorship has ever ended unless outsted by a foreign invasion -- which we will never advocate for Chile -- or unless toppled by a violent people's uprising, which means civil war. But peaceful solutions always call for social pressure, because no one relinquishes power of his own will.

The only method to force authoritarian governments to relinquish power and give way to democracy is to properly handle political accord, negotiations, and social pressure. There can be no negotiations without social pressure. As Uruguayan President Sanguinetti put it: "To negotiate without social pressure is to give up or to relinquish one's own ideals." But social pressure without negotiations is merely physical exercise.

The responsibility for violence in the protests rests with the side that considers a law as an entrenched dogma, and refuses to engage in dialogue and accept a change or an opening. I would like to ask: Who uses violence to exert social pressure? I admit that in addition to the terrorist groups, some extreme leftist factions or radical opposition sectors can play this game. But the Government and the extreme sectors are playing the same game.

Oyarzun: And what is the solution?

Abeliuk: Very easy. Let us negotiate. But it should be pointed out that when one refers to negotiations, people think that one has to sit at a table, in front of a television camera. It might be better to negotiate without publicity, as in the case of the National Accord for Transition to Democracy, for which there were private talks, exchanges of ideas, negotiations, etc.

Oyarzun: Does that mean that there can be private negotiations with the Armed Forces, including Captain General Augusto Pinochet?

Abeliuk: I do not think there is much of a chance for talking with General Pinochet. I do not think it will be possible to talk with the Armed Forces either, because of their vertical structure. But there can be other types of dialogue. There are even multisectorial documents.

Oyarzun: Does the opposition have a plan?

Abeliuk: There are several plans. I believe there is an intentional effort to create the image of division and disagreement among the opposition. The fact that a very small group left a party is magnified. This effort is aimed at creating the image that if the government leaves, chaos will prevail, that a struggle between forces will make governing the country impossible. [passage omitted]

Oyarzun: How do you visualize the prevailing "crisis" in the country?

Abeliuk: I believe the situation is very confusing. It seems that there is no solution. In this situation the opposition is forced to use "social pressure" which everyone dislikes. No one likes the deaths and the barricadces provoked by the government...

Oyarzun: By the government?

Abeliuk: By the government may not be the correct expression, but there are gangs that operate with complete impunity in a city occupied by the Armed Forces. Therefore, there is at least negligence on the part of the government. I was referring to that responsibility...

When people are absolutely convinced that they want democracy they are going to get it. We cannot deceive ourselves here. In 1973 part of the population, I do not know how many because no polls were taken, accepted the military takeover with relief. But they were under the impression that the military would reestablish institutionality quickly, and not create a new institutionality. That was the commitment of the Armed Forces. There was no other commitment. The country tacitly accepted this for several years by placing its confidence in the Armed Forces. Now the country is cured of the trauma created by the political struggle. There are still many doubts in the country, and things that are not very clear. You cannot go against the history of a country for very long. You can repress people, occupy cities with military forces, raid poor districts, and terrorize the population, but in the end you cannot go against people who want democracy. Chile is going to get its democracy, a democracy that is going to have its conflicts and tensions. I believe that the future democracy is not going to be one of revenge, not even from the relatives of the victims. [passage omitted]

Oyarzun: What has happened with the political pacts of the opposition? Truthfully speaking, can you tell me what is happening with the Democratic Alliance, the National accord and now the Civic Assembly?

Abeliuk: The Civic Assembly is not a political pact. It is a tool for social pressure headed by social leaders who are obviously political militants, but who believe that solutions must be found in political alliances. Why deceive anyone? Obviously there have been problems! The problems were created for various reasons, because it is very difficult to engage in politics under a dictatorship. And it is even more difficult to work under a mixed system, because it is different from other dictatorships. This dictatorship grants some freedom, for example the statements I am making right now, which would not be allowed under other dictatorships.

The parties are also affected by cases in which political adversaries are not willing to grant concessions, as when a politician becomes convinced that what he says is the only truth. This is also a problem. The government plays with polarization and the people are gradually becoming more polarized. In this regard I believe that the government is playing with fire. Authoritarianism will have to come to an end some time. No authoritarianism lasts forever. What is going to happen if the political forces become so polarized that no peaceful outcome can be found?

I would say that in the opposition in general, the politicians, have a degree of rationality, but so far we have not been able to convince the Armed Forces to have the same spirit of granting concessions that the opposition has.

The National Accord is a document that grants concessions, it is a monument to rationality. The accord gives assurances that there will be fair play. It is a piece of paper, yes, but the 1980 Constitution is also a piece of paper.

BRIEFS

NITRATE EXPORTS TO PRC -- Tocopilla -- The largest export consignment of Chilean nitrate began yesterday at the Tocopilla port with the loading of 36,300 tons of nitrate on board the merchant ship Wieldrecht. Mining Minister Samuel Lira has reported that this shipment will go to the PRC. This will be the last shipment of a 72,000-ton sales contract signed by the Chilean Chemical and Mining Association with the PRC Government at a total cost of $5.6 million. So far this year Chile has sold 87,400 tons of nitrate to the PRC at a total cost of $7.1 million. [Summary] [Santiago EL MERCURIO in Spanish p C 1 86 PY]

ELN CLAIMS RESPONSIBILITY FOR PIPELINE BLAST

PA161907 Madrid EFE in Spanish 1305 GMT 16 Jul 86

[Text] Bucaramanga (Colombia), 15 Jul (EFE) -- Today the Colombian National Liberation Army ELN claimed responsibility for the dynamite attack on an oil pipeline in Norte de Santander Department in the northern part of the country and stated that it is the first of several sabotage actions that will be carried out against oil installations.

In a communique sent to radio stations in Bucaramanga (capital of Santander), the pro-Castro group said that the attack forms part of "a series which will destroy the oil pipeline so as to avoid the multinationals from taking away the oil."

The insurgent group warned that "with these actions we will punish the one-sided contract signed to extract crude" by the state-owned company Colombian Petroleum Enterprise [Ecopetrol] and the transnational "Occidental Petroleum."

According to the company, the Cano Limon-Rio Arauca pipeline built by the German company "Mannesmann," cost $5,00 million, and it is the basic piece of work to exploit the new eastern plains fields which will allow national oil self-sufficiency starting next year.

The pipes that were dynamited yesterday in several places affected the movement of 150,000 barrels a day of crude from the pumping zone in the eastern part of the country to the Ecopetrol refinery in Barrancabermeja (Santander), 400 km north of Bogota.

POPE ISSUES NEW APPEAL TO NATIONAL GUERRILLAS

PA162351 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 16 Jul 86

[Text] Vatican City -- Pope John Paul II has issued a new appeal to some Colombian guerrillas asking them to put down their weapons. He also said that he has very pleasant memories of that beautiful country.

It is an image that is marred by a sector that should brandish noble weapons such as justice and peace.

In Wednesday's general audience with approximately 8,000 pilgrims held at the Paul VI Room in the Vatican, the pope said that he found good people in Colombia who want to fight drug trafficking, a business of death that is conducted by a group of people who do not reflect the heart and soul of Colombia.

After his 7-day pastoral visit, the pope spoke about peace and said that for it to prevail in Colombia, the country needs a complete and coordinated evangelization within the spirit of the social doctrine of the church, a church that is involved in many activities in favor of social justice and the protection of the rights of the individuals, the family, and humankind.

ELECTORAL COUNCIL CONCLUDES MAY ELECTIONS TALLY

PA130431 Bogota Television Service in Spanish 0100 GMT 13 Jul 86

[Excerpt] The National Electoral Council today concluded the final tally of the 25 May elections and issued the credentials of President-elect Virgilio Barco. Following the last tally made today at the National Registry, the final figure for the presidential elections was 7,203,558 votes.

Abroad, New York and Caracas were the two cities from which the most votes were received. Only Detroit and Lima, Peru were left out due to mailing problems that prevented registration documents from arriving on time.

Virgilio Barco obtained 4,198,687 votes, while Alvaro Gomez, his closest rival, obtained 2,578,667 votes. [passage omitted]

BRIEFS

CHILEAN ENVOY LEAVES -- Carlos Morales Retamal, the Chilean ambassador to Colombia, will leave for his country on Saturday following 3 and 1/2 years of service here. [Summary] [Bogota EL TIEMPO in Spanish 8 Jul 86 p 6 C PA]

FINANCE MINISTER ON OIL PRICE IMPACT ON BUDGET

PA162343 Quito Voz de los Andes in Spanish 1130 GMT 16 Jul 86

[Text] Finance Minister Alberto Dahik talked about the need for a general consensus to face the economic crisis that is affecting the country, considered the most dramatic of the past decades. Dahik said that if the current oil price, $8.40 per barrel, remains steady, the nation's total budget will be affected by approximately 100 billion sucres, and this will require more austerity and more sacrifices, although the government would try to implement the program least burdensome to the people.

Speaking before the National Chamber of Representatives Budget Commission, Dahik referred to the impact that the drop of oil prices has had on the country's economy and to the measures the government is planning to implement to face the crisis.

Dahik also explained that the government will not be able to meet the payment of the foreign debt because it will not have the money, if the current oil price remains as it is or drops, and then it will be necessary to reach some agreement with its creditors.

ENERGY MINISTER ON NUCLEAR DEVELOPMENT FIELD

PA122215 Quito Voz de los Andes in Spanish 1230 GMT 12 Jul 86

[Text] The Ecuadoran Government is interested in promoting and developing the current Nuclear Research Center of the Ecuadoran Atomic Energy Commission [CEAA], through the acquisition of a 3-megawatt reactor, Energy and Mines Minister Javier Espinosa said during a ceremony to commemorate the 28th anniversary of this institution. This reactor will reportedly be installed in the Quito area.

He added that the construction of an additional reactor of smaller capacity in Guayaquil, which would be used by the universities in research projects, is under consideration.

Espinosa praised the work which the CEEA has carried out since its founding, both in planning and in specific projects, including those in agriculture and in the use of radioisotopes in agricultural research and the veterinarian field, and in the health field in hospitals for the control and treatment of cancer with radiotherapy.

Espinosa also stressed the advancements made in the analysis of minerals using nuclear methods, and the [word indistinct] of uranium, with the idea of beginning nondestructive tests in the near future that will directly benefit the industrial and metallurgical fields.

BRIEFS

NEW GUATEMALAN AMBASSADOR — Journalist Enrique Castellanos Carrillo presented his credentials on 10 July as the ambassador extraordinaire and plenipotentiary of Guatemala to Ecuador. [Excerpt] [Quito Voz de los Andes in Spanish 1130 GMT 11 Jul 86 PA]

GODOY PROPOSED FOR COLORADO PRESIDENCY

PY170108 Asuncion LA TARDE in Spanish 14 Jul 86 pp 10, 11

[Excerpt] More than a year before the Colorado Party convention, various factions within the Colorrado Party Board are already defining their positions regarding the race for party leadeship. There is a proposal to nominate Colorado Party Vice President Adan Godoy Jimenez, the present health minister, party president. The proposal was made by Deputy Genaro Espinola, who is well-known for his support of the "militant and combatant" party line, and who asserts that only thus will there be a complete guarantee that the Colorado leadership will be loyal to the government of President Alfredo Stroessner. Deputy Genaro Espinola has nominated present Colorado Vice President Adan Godoy Jimenez to run for the presidency at the party convention, scheduled for 1987.

Espinola said that the health minister has all the qualities and characteristics needed to lead the great Colorado Party when he talked about the "need to make changes in the party leadership to ensure 100 percent loyalty to President Alfredo Stroessner at times when people within the Colorado Party board itself question Stroessner's continuing as Paraguayan president."

Espinola noted that "Adan Godoy Jimenez may be one of those proposed to run for party president in the next Colorado Party convention."

He said that "Godoy enjoys sufficient popular support to allow him to run for Colorado party president."

Deputy Espinola said that the present Colorado Party Vice President "meets all the requirements to lead a great party such as the Colorado Party because of his well-known activities within the party and as a member of the Stroessner administration."

In an interview he granted to this newspaper, Espinola reasserted his position regarding the present leadership, which he said "does not want to leave the leadership, despite the fact that we must make the party's guidelines more 'dynamic.'"

Espinola said that "we must make changes through new elements, through new men who are well-known for their willingness to serve the party, and to be able to help the development of the great Colorado Party."

Espinola said that "despite the fact that Godoy Jimenez has repeatedly stated that he does not seek any party post higher than the one he presently holds, there could be a strong popular call. If there were such a call, Jimenez would have to answer the will of the people."

The proposal raised by Deputy Genaro Espinola is very important at a time when there are disagreements between "militant and traditionalist" trends within the party board, due to the fact that Godoy Jimenez, leader of the militant trend, recently wanted to disqualify all those who criticize the Government from within the party leadership. The proposal, supported by Adan Godoy Jimenez, has been disapproved by several members of the Colorado Party board. However, the proposal finds fervent support even among those who are not followers of the so-called "pro-Stroessner line."

In this regard Deputy Espinola categorically asserts that "within the Government Junta, there are those who question the continuation of President Stroessner's presidency and who are even rude; and there are those who support Adan Godoy Jimenez and his followers, who have declared themselves to be pro-Stroessner Colorado Party combatants."

Espinola said that the health minister's election to the party leadership would guarantee the loyalty of the party leadership to the Stroessner government.

Regarding the proposal to disqualify some people, he said it is aimed at those who criticize the government, because they undermine party discipline.

Regarding the Colorado Party convention, scheduled for 1987, Espinola noted that today's skirmishes within the party reflect the struggle that is taking place to see who remains and who will be out of the future party leadership.

Deputy Genaro Espinola said he is "certain that there will not be just a single list in the upcoming convention. It will be up to the convention delegates to decide which of the two lists will be responsible for guiding the destiny of the Colorado Party." [passage omitted]

BRIEFS

MARIJUANA SEIZED -- Nearly 25,000 kg of marijuana was seized during two raids conducted in Amambay Department by the antinarcotics division. One of the raids was conducted at the Santa Maria settlement, 70 km from Capitan Bado, where Victor Gomez Rojas and Agustino Boveda Rojas, both Paraguayan citizens, were surprised and arrested. A total of 710 kg of marijuana was found in a small shack, the authorities have reported. SOme 7 and 1/2 hectares of marijuana, which would have yielded 22.5 tons, were destroyed. The other raid was conducted at the Mariscal Lopez settlement, where Celso Velazquez Suarez, 28, was arrested. Velazquez Suarez possessed 130 11-kg packages of marijuana ready for sale. A total of 1,410 kg of marijuana was ready for sale. Questioned by authorities, Velazquez Suarez stated that he bought the marijuana in Capitan Bado for about 25,000 guaranies a package, and it was bound for Brazil. [Excerpts] [Asuncion HOY in Spanish 9 Jul 86 p 21 PY]

MINIMUM WAGE INCREASE -- The Council of Economic Coordination yesterday approved a 20-percent wage increase, beginning 15 July. This measure is aimed at restoring the purchasing power lost due to inflation. The inflation rate reached 16 percent during the first 6 months of 1986. To complement the measure, the Ministry of Industry and Commerce has recommended that prices be controlled in order to protect the purchasing power of the new salary. According to the readjustment, the minimum wage will increase by 12,012 to 72,072 guaranies. [Excerpt] [Asuncion HOY in Spanish 12 Jul 86 P 11 PY]

WAGNER ON U.S.-CONTADORA RELATIONS, DEBT CRISIS

PY170137 Lima CARETAS in Spanish 30 Jun 86 pp 30, 31, 31, 48

[Interview with Foreign Minister Allan Wagner Tizon by correspondent Alberto Bonilla in Lima; date not given]

[Excerpt] [Passage omitted] [Bonilla] How much progress has been made in the negotiations with the U.S. Government to reach a new air agreement?

[Wagner] The information I have is that substantial progress has been made during the recent visit of the transportation minister to the United States. If everything goes well, the rest of the negotiations will take a relatively short time.

[Bonilla] How long?

[Wagner] I believe it will take a relatively short time, but you cannot establish deadlines on negotiations.

[Bonilla] Regarding negotiations, was all the progress made by the Contadora Group and the Contadora Support Group destroyed by the $100 million granted by the U.S. House of Representatives to the contras?

[Wagner] It is an important obstacle in political and practical terms to the work conducted by the Contadora Group. I reacted with disappointment and rejection. I was disappointed because the idea of war and not peace was advanced among some members od the U.S. Congress. This situation creates concern. I felt rejection because the country members of the Contadora Group and the Contadora Support Group have constantly indicated that among the measures necessary to create an appropriate atmosphere to conclude the negotiations was a need for the foreign powers to stop intervening in the region. They should refrain from proving support to the irregular forces such as the contras and other guerrilla movements operating in the region. Experience has shown us that when conflict situations appear in the world, the crisis gets worse and can explode with unpredictable consequences if it becomes part of the East-West conflict. This is why we decided to try to get the Central American problem out of that context, which was getting worse as a result of the growing U.S. and Soviet presence in the area. If the aid to the contras materializes (more congressional steps are still needed) the arms race will increase, pushing the policy for military intervention and closing the possibility of finding a political solution to the Nicaraguan problem.

[Bonilla] Do you think an invasion of Nicaragua will occur?

[Wagner] When Philip Habib, special U.S. envoy for Central American affairs, visited Lima, we stated that in addition to cutting aid to the contras the United States should expressly state that it will not invade Nicaragua, because it is not the same to say "the United States is not planning to invade" as it is to say that the United States has committed itself to finding a peaceful solution and will by no means invade Nicaragua. As the United States has declared that its objective is to oust the Sandinist regime, Nicaragua believes that it is only going to achieve this through a direct invasion. Therefore, its military mobilization is not only directed against the contras but also against a possible U.S. direct intervention. Unfortunately, the behavior of the United States does not contribute to the Contadora Group's efforts.

I hope that the Central American countries will consider the situation and the consequences that a diplomatic vacuum in the area could provide, so that they may continue to believe in their capacity to work jointly and with the cooperation that Contadora and the Contadora Support Group can grant them.

[Bonilla] Is one to believe that the approval of this aid is tied to the drawing up by the Central American countries of a treaty parallel to the Contadora Treaty?

[Wagner] No, that is very relative. There is no point in three countries getting together and drawing up a treaty that is not going to be signed by the five Central American countries. It would not be a move designed to have their own treaty, because that would make no sense. They are trying to come up with some sort of formula that may contribute to reaching an agreement among the five countries. Regarding the aid to the contras, this is an action which violates all norms of international law. It represents intervention in the name of democracy, which is inadmissible.

[Bonilla] Is it aggression?

[Wagner] It is a material contribution to subversive groups. This agression pattern has been classified by interntional law in the UN Charter and it represents an act of intervention, contradicting the principles of both the UN and OAS Charters. It is one thing to have journalistic or colloquial terms, but international law is something different.

[Bonilla] Then, we are not, as President Garcia said, confronting aggression?

[Wagner] President Garcia clearly said that in case of direct aggression, such as an invasion of Nicaragua, or any other country in the region, Peru will adopt an extreme diplomatic measure: it will break diplomatic relations.

[Bonilla] But the Sandinist believe that direct aggression could be the next step...

[Wagner] I think that it is improbable that the United States would intervene directly. Of course, the future cannot be predicted, but direct intervention by the United States in Nicaragua could cause a Vietnam-type situation. The American public will hardly accept this sort of direct confrontation: that is, a war, in Nicaragua.

[Bonilla] Minister, is there any news regarding the Danish ship?

[Wagner] The Interior, Navy, and Foreign Ministries are carrying out investigations.

[Bonilla] Were the weapons it was transporting connected with the Central American conflict?

[Wagner] It is not certain. We are waiting for the results of the investigations. What we do know is that the cargo consisted of heavy equipment and light weapons. There is no evidence that the ship docked at a Peruvian port. I really would not like to say anything about this subject because we are still investigating.

[Bonilla] Prime Minister Alva Castro has said that Peru will not be able to honor its debts with the IMF because of our difficult economic situation. Does this mean that we will pay with less than 10 percent of our income from exports?

[Wagner] Prime Minister Alva Castro has said that Peru will not use more than 10 percent of its income from exports for payments. Therefore, this means that our debts with the IMF that fall due this year will not be fully met.

[Bonilla] will this situation further hinder our relations with industrialized countries?

[Wagner] There is an increasing number of countries which are unable to honor their debts with the IMF. So far, the IMF does not allow the rescheduling of overdue debts like other creditors do, but rather grants new credit programs like stand-by credits or broader credits to allow disbursements to permit the payment of debts. We are unable to pay our debt, and we are not willing to submit ourselves to IMF'S demands.

[Bonilla] Will the foreign debt conference be held in Lima, as requested by the Nonaligned Movement?

[Wagner] Yes, it will be an advisory meeting of developing countries. This was decided in New Delhi. We will exchange experiences on how the foreign debt is affecting our economic and social structures and on the measures that are being adopted in this respect. This meeting will take place after the Zimbabwe summit.

[Bonilla] It has been published that Peru will be the next seat of the Nonaligned Movement meeting in 1989. Is it true?

[Wagner] According to tradition, the location of the summit, which is held every 3 years, should be held in different regions. Following this principle, the 1989 summit should take place in Latin America. The Nicaraguan Government has presented its candidacy. The Peruvian Government has not made a decision about offering Lima for the meeting, despite the fact that several nonligned countries have hinted that they would be pleased to hold the meeting in Peru. There is still a great deal of time to discuss this subject.

MINISTER SUPPORTS POLICE, REPUBLICAN GUARD

PY161436 Lima Radioprogramas del Peru in Spanish 2300 GMT 15 Jul 86

[Text] Interior Minister Abel Salinas has admitted that some Republican Guard members have committed excesses, but that he supports those who comply with their duties, adding that the appropriate courts are dealing with the case of the policemen involved in the killing of prison inmates.

[Begin recording] [Salinas, in progress] ... our solidarity with the police forces in general and with the Republican Guard in particular, with due respect for the Constitution. We admit there were excesses, but we also know that an institution's strength is measured by how well it can weather a storm. Those who commit excesses must be punished. But those who risk their lives to discharge their duties and protect the people should receive full support.

[Reporter] Mr Minister, how far have investigations gone into the charges leveled by the president in connection with the Lurigancho incident?

[Salinas] As you know, the appropriate courts [fuero privativo] must hear the cases involving security personnel who committed crimes while carrying out their duty. Thus, the military judge who is conducting the investigation will establish responsibility and apply the proper punishment.

[Reporter] Press reports have said that the persons involved will be arrested. Has anyone been arrested so far?

[Salinas] That decision falls beyond the jurisdiction of the Interior Ministry. I reiterate that the appropriate courts will hear the case. We conducted a disciplinary, administrative investigation, and we submitted a copy of the report to the congressional standing committee. [end recording]

POLICEMEN KIDNAP, KILL INDUSTRIALIST IN LIMA

PY162045 Madrid EFE in Spanish 1829 GMT 16 Jul 86

[Text] Lima, 16 Jul (EFE) -- The kidnapping and killing of a Lima industrialist by two on-duty policemen is today stirring Peruvians, who crowded newsstands to read the news.

Even policemen bought newspapers to read about the killing, perpetrated yesterday in the Peruvian capital.

The man killed was textile industrialist Oscar Sommerkamp Fontcubierta, 58, who was kidnapped by Investigative Police Ensign Ivan Rojas and Civil Guard member Julio Balcazar, who tried to extort a large sum of moeny.

The industrialist was handcuffed and taken to a road on the outskirts of Lima, where he was shot dead. The police think that Sommerkamp Fontcubierta recognized the kidnappers and that they killed him to prevent him from later identifying them.

The two policemen, indicted for homicide, were arrested shortly afterward by the police. Apparently, an accomplice of the two policemen fled with part or all the money.

The industrialist killed was well-known for his support of the Civil Guard and contributed to the repair and improvement of the police stations in the Lima neighborhood where he lived.

Sommerkamp Fontcubierta was also the father of two daughters who belong to the Civil Guard women's police. One of them is a sergeant.

The wave of kidnappings which has been affecting the country for quite a time had diminished over the past few months, after some 100 kidnappers from several gangs were arrested.

Sommerkamp is the second industrialist killed by kidnappers in recent months. The other industrialist killed was Alejandro Muncher. A student was also killed by his kidnappers because his family could not pay the ransom they demanded.

DECREES MODIFY RADIO BROADCASTING REGULATIONS

PY162231 Montevideo EL DIA in Spanish 9 Jul 86 p 5

[Excerpt] The government on 8 July modified radio broadcasting regulations contained in several decrees. These decrees had been issued by the de facto regime. The decrees "imposed several restrictions on the freedom of expression, in violation of constitutional principles."

The resolution, signed by President Julio Maria Sanguinetti and Defense Minister Juan Vicente Chiarino, repealed the decrees issued by the de facto regime on the grounds that they are "incomplete from a legal viewpoint" and that "they should be properly corrected."

The presidential resolution establishes that the National Communications Directorate is the appropriate enforcement body for radio broadcasting regulations and that it will advise radio stations whenever they violate the regulations.

The resolution also establishes the conditions to be met by those who have been authorized to operate a radio station on a given frequency. [passage omitted]

DEFENSE UNDER SECRETARY ON MILITARY DOCUMENT

PY162308 Montevideo LA HORA in Spanish 5 Jul 86 p 5

[Text] Defense Under Secretary Jose Maria Robaina Anso has told LA HORA that the National Defense Ministry "is investigating" points related to an intelligence document published by the Brazilian newspaper JORNAL DO BRASIL.

Asked whether the document was legitimate or not, Robaina limited himself to saying that the National Defense Ministry has ordered an investigation following the publication of the military document.

Robaina stated that he had not read the intelligence guidelines but that people have commented on them to him after they were published by the press.

Asked about the investigation ordered by the National Defense Ministry, Robaina said only: "Things have been done."

Other military officials questioned by LA HORA have stated that the document "is legitimate."

Political sources have stated that a military intelligence report that provides details to unit commanders of the surveillance carried out and the contacts certain political and trade union leaders made in the past few months, is also being studied.

LUSINCHI RECEIVES BRAZILIAN-BUILT PLANES

PA160448 Caracas Television Service in Spanish 0000 GMT 15 Jul 86

[Text] The first four Tucano planes that will be part of the Air Force arrived today from Brazil. They were received by President Jaime Lusinchi and by the top military command at the Generalisimo Francisco de Miranda Air Force Base.

The new planes flew over the skies of Caracas for several minutes and then landed simultaneously with the arrival of President Jaime Lusinchi, the defense minister, and the top military command. The T-25 and T-27 Tucano planes, which were purchased from a Brazilian aeronautics firm by the Venezuelan Government, lined up in front of President Lusinchi. There the planes were blessed and christened by Msgr Marcial Ramirez Ponce, and Air Force cadets gave them a champagne shower.

Defense Minister General Jose Rafael Cardozo Grimaldi said these planes will strengthen the Venezuelan Air Force and will reassert Venezuelan air power. Following this, Brazilian Ambassador Paulo Enrique de Paranagua said that he hoped the Tucano planes could contribute to improving the human resources of the noble Venezuelan Air Force.

After highlighting the virtues of the planes and the importance they will have in the field of training, General Ramon Mendoza Ibarra, Air Force commander, said the decision to buy these planes was correct, since it is a product of the logistical and cost analysis made by a group of men who were aware of the nation's needs and demands.

The total cost of the contracts is for $51 million, and it includes 30 Tucano planes, a 10-year guarantee of spare parts, maintenance of the planes, and training of the Air Force personnel. Four Tucano planes will be arriving every 2 months until all 30 planes that were purchased from Brazil have arrived.

CONSALVI PAYS 4-DAY VISIT TO CZECHOSLOVAKIA

For Czechoslovak media coverage of the 4-day visit to Czechoslovakia by Foreign Minister Simon Alberto Consalvi, including his meetings with Prime Minister Strougal, Foreign Minister Chnoupek, and other officials, see the Czechoslovakia section of the 8 July East Europe DAILY REPORT and subsequent issues.

Visits Yugoslavia

For Yugoslav reportage on the visit of Foreign Minister Simon Alberto Consalvi to Belgrade, see the Yugoslav section of the 15 July Eastern Europe DAILY REPORT and subsequent issues.

AMBASSADOR TO PANAMA ON CENTRAL AMERICAN PROBLEM

FL160235 Mexico City NOTIMEX in Spanish 2332 GMT 15 Jul 86

[Text] Mexico City, 15 Jul (NOTIMEX) -- The campaign to discredit Mexico and Panama is a clear response to pressure from those interested in the Central American problem, an area where the two countries maintain a position of coherency and respect.

This was stated by Mexican Ambassador to Panama Carlos Plank during an interview with the weekly PAYANO, which represents the Democratic Revolutionary Party, (PRD), founded by the late General Omar Torrijos.

Plank reiterated the concept of historical error previously mentioned by Foreign Secretary Bernardo Sepulveda Amor in reference to U.S. aid to the Nicaraguan rebels.

He said the U.S. aid to the contras, who are struggling to overthrow the legitimate Nicaraguan Government, is a contradiction and a denial of the international principles of nonintervention in the domestic affairs of a country.

The Mexican diplomat, who presented his credentials recently to the government of Eric Arturo Delvalle, recognized that Mexican-U.S. relations have always been difficult and complex.

After stressing Latin American unity in Mexico and Panama and reviewing the Central American situation and U.S. policy in the isthmus, Plank rejected the Western Hemisphere Subcommission hearings, presided over by U.S. Senator Jessie Helms. The hearings, he said, were characterized by interventionism. He called Helms an ultraconservative whose position is based on U.S. interests.

Finally, Plank expressed his admiration for Torrijism and what it represents to Panama in reclaiming the Canal.

GURRIA INITIATES FOREIGN DEBT NEGOTIATIONS

FL162328 Mexico City NOTIMEX in Spanish 2206 GMT 16 Jul 86

[By correspondent Roberto Gonzalez Perez]

[Excerpt] New York, 16 Jul (NOTIMEX) -- This morning Jose Angel Gurria, loan director of the Mexican Finance Secretariat, began a closed-door meeting with the committee composed of 13 international banks to negotiate Mexico's foreign debt.

Gurria's meeting with bank representatives in New York is a continuation of a series of meetings that were held over the past few days in Washington by Gustavo Petricioli, Mexican finance and public credit secretary.

The purpose of the meeting is to seek a $2.75-billion financial package for 1986 and possibly, according to bank sources, guarantee additional lines of credit for 1987 and 1988.

Mexican officials said they will demand significant concessions from creditors on the $98 billion debt as a result of the drastic fall of oil prices in the international market.

A spokesman for the bank committee said they do not dismiss the possibility that a financial package would link the interest rates of new loans to oil prices. [passage omitted]

SENATOR PRAISES GATT MEMBERSHIP NEGOTIATIONS

FL160315 Mexico City NOTIMEX in Spanish 0226 GMT 16 Jul 86

[Excerpt] Mexico City, 15 Jul (NOTIMEX) -- Senator Miguel Borge Martin today reported that the GATT Council of Representatives has unanimously accepted the Mexican Government's request to join that international trade organization.

Upon his arrival in Mexico City from Geneva where he participated in the final round of GATT talks, the Mexican legislator praised the exceptionally positive attitude demonstrated by GATT members in regard to Mexico's membership.

Borge Martin stressed that within GATT there will be respect for the total and absolute sovereignty of Mexico regarding its natural resources, including the autonomous management of its oil policy. For this reason, it can be said that all the categories of the membership document are satisfactory. [passage omitted]

Senate Approval Scheduled

FL161850 Mexico City NOTIMEX in Spanish 1959 GMT 15 Jul 86

[By Federico Gomez Pombo]

[Text] Geneva, 15 Jul (NOTIMEX) -- Today, as a member of GATT, Mexico expressed its concern over the protectionism that limits the access of its manufactured products to international markets. Mexico said it will use its GATT membership to promote solutions that will benefit Mexico and other developing nations.

After a 2-hour meeting, the Council of Representatives, consisting of 60 of the 91 countries that make up GATT, approved the conditions agreed upon with Mexico for its joining GATT, and representatives of 37 nations expressed their pleasure at the Mexican Government's decision. Brazil, Colombia, Cuba, Jamaica, Uruguay, Argentina, Peru, Spain, Nicaragua, Romania, Canada, United States, Japan, Switzerland, Korea, and Norway are some of the countries that congratulated Mexico for having completed the negotiations that led to GATT membership.

Commenting on the political diversity and levels of development of the GATT countries, Mexican Under Secretary of Foreign Trade Luis Bravo Aguilera said that all reacted positively to Mexico's joining GATT. We desire to participate in a constructive and more active manner in the working of the international economy by making use of agreements that assure Mexico and other developing countries fair treatment for their exports, Bravo Aguilera added. He said that, in the next round of multilateral trade on negotiations, to be held in Montevideo, Uruguay, beginning on 15 September, Mexico will study the world trade situation with a view to increasing its exports of manufactured goods and other nonpetroleum products.

The final version of the Mexican membership protocol and a list of the 323 tariff concessions negotiated with GATT will be sent to the Senate for study and final approval. This will take place this week or next because Mexican GATT membership must be formalized before the Montevideo round of negotiations. The documents, which will be sent to the Mexican Senate and which were approved at GATT headquarters in this city, demonstrate that the protocol agreed upon was drawn up especially for our country's situation, the official said.

The protocol takes proper note of Mexico's condition as a developing country, and assures special and more favorable treatment within the group, Bravo Aguilera added.

It specifies that the levels of exports of crude oil and other petroleum products will continue to be regulated by the state, which has power to exercise full sovereignty over them without violating the international pledges made under GATT.

The priority importance that Mexico gives agriculture as an element of its social and economic policy is also recognized in the GATT protocol as is the right of Mexico to continue applying its national development plan and the sectorial and regional programs growing out of the development plan.

The official indicated that the list of duty reductions agreed to by Mexico with GATT member-countries comprises 373 customs tariffs which represent 15 percent of all Mexican imports during 1985. GATT's original request amounted to 500 duty reductions. In addition, said list includes specific cases of products whose tariffs or import duties will be increased up to 75 percent over a period of 8 years, long enough for the competitiveness of the Mexican producer manufacturing it to increase, Bravo Aguilera explained.

Another charasteristic is that out of the total number of products negotiated within GATT, 90 will still require prior import permit.

The official stressed that details of the customs tariffs included in Mexico's commitments with GATT countries will be made public because, he said, we have achieved the best consensus possible, and therefore we will undertake a broad dissemination that will reach, of course, production sectors interested in increasing their foreign trade.

He said the 1986 GATT protocol is much more precise and detailed than the one proposed in 1979 that was not accepted.

According to GATT statistics, in 1984 -- the last year for which statistics are available -- Mexican imports totaled $11.27 billion and represented 0.6 percent of total imports that year. Mexican exports, according to the same source, totaled $24.41 billion that year, which was 1.3 percent of total world exports.

Based on the preceding data, Mexico was in 37th place in the world as an importer and 19th as an importer. [sentence as received]

At the same meeting in which Mexico technically completed the prerequisites for GATT membership, the PRC officially asked to rejoin this multilateral organization.

COSTA RICA

MADRIGAL DISCUSSES RESPONSE TO CONTADORA

Arms Reduction Stressed

PA160325 San Jose Radio Reloj in Spanish 0100 GMT 15 Jul 86

[Text] Foreign Minister Rodrigo Madrigal has said that Costa Rica will inisist on the need to reduce the amount of weapons in the region when it replies to the Contadora Group in the next few days. Our country believes that the reduction of weapons levels and the verification and control of military matters must be included in the document when it is signed by the countries which assume the commitments. Our country's observations will be quite clear concerning the latest draft peace document, which was presented by the Contadora Group to the Central American countries, Madrigal added.

Costa Rica believes that no negotiations concerning political and military matters can be carried out after the peace document is signed. Consequently, deadlines must be established for the verification and control of commitments assumed by countries in the area at the time [passage indistinct] control of this issue by each country should be subject to permanent verification and control, as a guarantee that regional peace will be attained, according to our country.

The possibility that Nicaragua might change its attitude has created some expectations in the region as time goes by, given that this is a decisive factor for attaining true peace in the Central American region. The four democratic countries which [words indistinct] waiting for Nicaragua to show sufficient political willingness to regulate all the security matters, otherwise, it will not be possible to attain peace.

So far, it can be stated that the democratic nations have reached an agreement and will present it to the Contadora Group in the near future. However, these nations have agreed that the mere signing of a peace document does not really guarantee that peace will be attained, because something else is necessary: true political willingness to fulfill pledges.

Democratic Alliance Proposed

PA161811 San Jose Radio Reloj in Spanish 0100 GMT 16 Jul 86

[Text] In its reply to the document that the Contadora Group presented on 7 June in Panama, the Costa Rican Government states in a lengthy document that the peace act must be an effective document. Nevertheless, the Costa Rican Government warns that peace is not authentic if it is not based on democracy.

In this regard, Foreign Minister Rodrigo Madrigal Nieto said that Costa Rica has always maintained that an act that is signed without effective means to implement it is an empty document that will just lead to confusion because it will not serve the peace goals for which it was drafted.

In its reply, the Costa Rican Government refers in detail to all those steps that must be taken to achieve the objective of democratizing the Central American region. [Words indistinct] essential to achieve democracy in the area. It refers to the facts that show that Costa Rica has been (?upholding) not only democracy but human rights and respect for freedom.

Although it acknowledges that the work of the Contadora Group is positive, the Costa Rican Government believes that it should strengthen its position in the face of the countries that are not maintaining a democratic process in Central America. There are some countries that maintain a duality between what they say and what they do and this causes serious problems to the peace and democratization efforts. [Words indistinct] the Contadora Group would gain greater authority and prestige to be able to tell any dictatorship of any ideology that it must stop certain actions against its people.

The Costa Rican Government believes that events are now taking place in Latin America which must be the topic of attention by the democratic countries so that they can try to correct them. Referring to the Contadora Group, Costa Rica states that in order to gain moral authority, prestige, and strength, it must maintain the same attitude toward all countries so that the authority and support that Contadora needs will emerge from that equilibrium. Cost Rica also reiterates its support for Contadora but it establishes a policy of greater liberty in the way it handles its foreign policy.

Costa Rica's reply to the Contadora Group is based on the country's history and its foreign policy, Madrigal said, adding that this is why the other countries of the region were not consulted, despite the great brotherhood that exists among us. It is a detailed analysis of the regional situation in which Costa Rica formulates specific observation on most of the articles of the peace act in order to achieve the common objective of establishing real peace and democracy in the region.

Foreign Minister Madrigal Nieto stated that Costa Rica believes that the time has come to form a democratic alliance in the world. There are so many threats looming over democracy from so many different origins and forces that it is time that an alliance of democracies be formed [words indistinct] Madrigal added. In this context we must promote closer ties with the European countries so that they will better understand what is taking place in Central America and so that [words indistinct]. Europe must participate more intensely in the search for solutions. A democratic alliance with the participation of the European nations would be possible because there are historical, political, and economical ties with them and it would be very grave if those countries do not intensely participate in the search for peaceful solutions for this region of the world.

Madrigal said that he sees the democratic alliance as a more direct and broader relationship among the foreign ministries in order to find peaceful solutions to the problems affecting the region. A pact or an agreement is not necessary for such an alliance, the foreign minister added. Instead, just the political will of the governments is needed.

EL SALVADOR

GEN BLANDON DISMISSES REBEL PROPOSAL ON ARMIES

PA162218 San Salvador LA PRENSA GRAFICA in Spanish 16 Jul 86 pp 2, 60

[Text] The Armed Forces will never allow two armies to operate in the country. This would violate the Republic's Constitution.

This was the answer of General Adolfo Blandon, chairman of the joint chiefs of staff, when he was asked about the FMLN-FDR's proposal for the integration of two armies.

Gen Blandon said that under no circumstances will the Armed Forces allow this integration because the Armed Forces were created to defend the people and national sovereignty.

The chairman of the joint chiefs of staff was also asked about the FMLN-FDR's intentions of reaching power. He said that this was not a matter for discussion because the current government was chosen by the people.

Gen Blandon said that the groups that are up in arms must rejoin the society and decide to participate in the elections. This is what they must do if they have any intentions of reaching power. However, they must do this in a civilized manner.

Blandon stressed that, as President Jose Napoleon Duarte has told them on several occasions, the government cannot give power to anyone who acts outside the law, inflicts death, and causes destruction, economic destabilization, unemployment, orphanhood, and misery in El Salvador.

REBELS CHALLENGE DUARTE TO DEBATE ON RADIO, T.V.

PA170216 (Clandestine) Radio Venceremos in Spanish to El Salvador 0053 GMT 17 Jul 86

[Communique of the FDR Executive Committee and FMLN General Command, dated El Salvador, 16 July 1986]

[Text] On 12 July Napoleon Duarte was the protagonist of a deplorable act of demagoguery in San Francisco Gotera, capital of San Miguel Department. He wrecked the hopes of the most diverse social sectors in the country -- which expected a more serious and coherent government reply to the FMLN-FDR's political proposal for a national solution to the conflict, presented on 11 July 1986.

Engineer Duarte came to San Francisco Gotera without a proposal or reply. He came only to put up a shameful propagandistic show in which sewing machines replaced the old formula of handing out tamales while the former dictators Molina and Romero gave speeches. A lengthy story of lies and repression has provided a political education for our people, who think that Napoleon Duarte's contempt and belittling attitude are an insult to the Salvadoran people's awareness and political experience. The people know perfectly well that three cheap sewing machines do not represent a solution to unemployment, poor health, lack of education, the second phase of the agrarian reform, the abolishment of the antipopular packaged economic swindle, the lack of respect for human rights, and guarantees for more than 1 million Salvadorans to return to their places of origin and work. This represents a fifth of the entire population, which is displaced or has sought shelter abroad, fleeing from the repression and indiscriminate bombings by the Army, which Napoleon Duarte is so proud to lead as its commander in chief.

This type of demagogic act and false charity from Duarte does not deceive the people. It only proves his own lack of stability, rationality, and coherence when answering serious and responsible proposals for a national solution to the conflict. Given that Napoleon Duarte repeatedly shouts that he wants to meet the FMLN-FDR leaders face to face, we challenge the government of the Republic and the Army High Command to a public debate in front of the television cameras, and in a national radio network, so that we may discuss before the nation our respective ideas and proposals concerning the most important topics of national interest.

We challenge the government of the Republic and the Army High Command to debate before the nation the issue of war and peace, violations of human rights, indiscriminate bombings, sabotage of the economy, mines, agrarian reform, the packaged economic swindle, repression, kidnappings, democracy, independence and the national Constitution, general laws, elections, blocs of power, and any other topic which may be considered necessary.

The debate must be held somewhere within our national territory that offers the necessary conditions for a live broadcast via radio and television network. The broadcast may last as long as necessary so that the parties may have sufficient time to discuss their viewpoints.

Each party may appoint four representatives, at the highest level, to participate in the debate. In this regard, the FMLN-FDR appoints Dr Guillermo Ungo and Dr Ruben Zamora, members of the FDR Executive Committee, and Commanders Shafik Jorge Handal and Joaquin Villalobos, members of the FMLN General Command, as its representatives. The government is free to choose its own representatives, and we hope that Jose Napoleon Duarte and representatives of the Armed Forces High Command will be among them.

We believe that this debate before the nation will be a real contribution toward the achievement of peace in El Salvador. The debate will give the Christian Democratic officials, Jose Napoleon Duarte, and the members of the Armed Forces High Command the opportunity to prove, in practice, what they have always claimed, that the FMLN-FDR is mistaken in its actions and positions. Quite evidently, this debate on ideas and positions, to be held before the nation, will weaken the party that does not present solid ideas, plans, and solutions to the problems affecting the country.

We also feel that this debate will be of much importance for the soldiers and officers who make up the government's Army, as well as for the combatants and leaders of the FMLN, since they are the ones that face each other on the battlefields each day in defense of two armies, two plans, and two different ideas. We feel that the chiefs of these two armies must defend and debate the plans and ideas for which soldiers and combatants die on the front line. To refuse the debate and defense of the ideas that move these two armies would be an act of cowardice.

We are not suggesting a propaganda stunt but a serious debate of political ideas and plans. We hope that the govenmemt and the Armed Forces High Command will accept this initiative for the good of peace and that Jose Napoleon Duarte will answer with the same enthusiasm with which he spoke in San Francisco Gotera.

If the positions of the government and the High Command are as strong, solid, and just, as they claim, then it would be absurd for them to refuse this political dialogue on an equal basis and face the nation.

To discuss the operational aspects of the debate, we propose that a commission be appointed, that this commission be responsible for coordinating, with all the television stations and radio stations, the place, date mechanisms, and methods for the debate. We propose that this commission be composed of two government and two FMLN-FDR representatives. We must underscore that this debate before the nation, is an initiative independent of the third round of talks. We reiterate our belief that with this debate we will contribute to the definition of positions and plans for peace.

In conclusion, and as a gesture of good will, we propose that the government, the Armed Forces High Command, and our friends order a 48-hour cease-fire while the debate is being held. This will allow a greater number of soldiers, officers, government officials, FMLN combatants, and all our people, in general, to listen to the debate.

[Signed] Dr Guillermo Manuel Ungo and Dr Ruben Zamora, for the FDR Executive Committee.

Commanders Roberto Roca, Ferman Cienfuegos, Leonel Gonzalez, Shafik Jorge Handal, and Joaquin Villalobos, for the FMLN General Command.

El Salvador, 16 July 1986

GUATEMALA

QUINONES ON PASTORA, HABIB VISITS, TALKS WITH UK

PA170010 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 15 Jul 86

[Passages within quotation marks recorded]

[Text] In the last few days it has been said in Guatemala that we will be visited by a group of anti-Sandinist leaders headed by Eden Pastora, the so-called Commander Zero. Today the foreign minister explained that if they come to Guatemala they will not be permitted to criticize our government. Foreign Minister Mario Quinones Amezquita said today that the Nicaraguan opposition leaders will not be allowed to come to Guatemala to criticize the government. The foreign minister's position on the Nicaraguan opposition leaders contrasts with the treatment accorded two U.S. journalists who wrote a critical article for a U.S. magazine entitled "The Bureaucracy of Death." The Guatemalan foreign minister said that he had no official knowledge of the arrival of a group of anti-Sandinist leaders, but added that as Central Americans they had a right to be in Guatemala, but not to criticize Vinicio Cerezo's administration.

[Quinones] As Central Americans they can enter Guatemala, but as I told you, I have no exact knowledge as to whether they are coming or what they are coming for.

[Reporter] Will they be allowed to promote their cause in our country?

[Quinones] I believe that they or any other person can promote their cause and are free to move about as long as they do not interfere in Guatamala's internal affairs. For example, we would not allow them to interfere in Guatemala's political affairs. On this matter we are very clear. Foreigners who want to come here [words indistinct] are allowed to do so, as long as they do not interfere in Guatemala's domestic political affairs."

The foreign minister said that consular relations with Great Britain could be resumed in the near future, but that he had not yet received a reply on the consultation regarding diplomatic relations.

[Quinones] "We have discussed the matter with them, but we are still negotiating with them on some requirements that we want fulfilled prior to announcing the reestablishment of consular relations. In addition, we are still waiting for replies from Guatemalan organizations, political parties, newspapers, institutions, universities, and others that have been consulted.

[Reporter] "Have any of them declared their support?

[Quinones] There has been support and opposition. In talks that I have held, some see it as positive decision. Others believe that we should demand that Great Britain assume a more flexible position, to give it a name, in its manner of dealing with the problem that we have with it."

[Reporter] Has a decision already been made to resume relations, regardless of the support or rejection?

[Quinones] "If there is no support or rejection...[changes thought] I believe that if there is not strong opposition, it would be logical to make the decision, because it could be beneficial for both countries."

The foreign minister explained that Saturday's talks with roving U.S. Ambassador Philip Habib centered on Contadora [words indistinct].

[Quinones] "He simply wanted to find out what each of the Central American countries' position is on Contadora and asked the same thing you do: Well, what is going to happen from here on? I told him what Guatemala's position is, which is very clear, that the only viable path to achieve peace is through Contadora, but that it was necessary to hold talks to resolve the [words indistinct] already resolved, already accepted by [words indistinct] to be discussed.

[Reporter] [Question indistinct]

[Quinones] "Perhaps because Mr Habib gave only 1 day's notice that he was coming, and the president had other commitments that he could not cancel. [passage indistinct]"

COMMENTARY REJECTS HABIB VISIT, U.S. POLICY

PA160449 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 16 Jul 86

[Editorial: "A Significant Absence"]

[Text] National and international observers have considered significant the fact that the constitutional president of the Republic, Vinicio Cerezo Arevalo, declined to receive Philip Habib, officious envoy of the Reagan administration, who is sent to spin warmongering plans in Central America. The role of host was delegated to the foreign minister of the republic, Mario Quinonez Amezquita.

It is evident that the diplomatic euphemism of unpostponable previous commitments was intended to clearly indicate that the Guatemalan Government is prepared to continue its policy of active neutrality in the Central American conflict without submitting to Washington's orders and plans, which seek to construct some kind of hostile wall or bloc around Nicaragua. It is a difficult but plausible position which deserves the support of all the sectors in our country, without distinction of political party. Although fate has placed us within the geopolitical orbit of the powerful empire to the North, our dignity as a free, sovereign, and independent nation must be safeguarded at all costs -- even if we are small and underdeveloped.

The Guatemalan Government's position contrasts with the one which the regimes in Honduras, El Salvador, and Costa Rica have unfortunately adopted. Costa Rica, the democratic homeland of Juan Santamaria, the hero who is the symbol of the struggle against William Walker's filibusters, has now adopted a submissive, docile, and servile position -- ready to sell its sovereignty for a handful of dollars.

The idea is not to support the Sandinist regime -- a circumstantial element -- but to uphold the principles of sovereignty and selfdetermination, which must be defended because they are everlasting and have been consecrated by international laws. This should be quite clear to baisano [uncomplimentary reference to Habib's Arab origin] Habib.

SOSA DISCUSSES COSTA RICAN TRADE SUSPENSION

PA170017 Panama City ACAN in Spanish 0300 GMT 16 Jul 86

[Excerpts] Guatemala City, 15 Jul (ACAN-EFE) -- The Guatemalan Government has voiced its surprise and uncertainty in view of the Costa Rican decision to close its borders to Guatemalan trade as of today, because it believes that the measure "disrupts the negotiations for integration."

Economy Minister Lizardo Sosa told ACAN-EFE that he has "not received an official communique from the Costa Rican authorities regarding the suspension of trade relations with Guatemala." However, Sosa met with President Vinicio Cerezo "to discuss the problem that this measure represents, and to take the appropriate measures." Sosa added: "According to what we know, what probably happened is that Costa Rican authorities were demanding export permits for the products en route from Guatemala."

Sosa said: "I can state that the decision which the Costa Rican Government took during its Cabinet meeting yesteday has not been officially communicated to us. We have been in touch with them to try to solve the trade debt problem." Sosa said that Guatemala owes Costa Rica $40 million as a result of the trade exchange, but he added that "before an action like the suspension of free trade is taken, dialogue should prevail if we want to solve the area problems." Sosa said "Costa Rica violated the agreement reached in the joint meeting of ministers responsible for Central American integration, and the presidents of the central banks, held here in Guatemala on 7 July." [passage omitted]

Sosa said that "an official delegation will travel to Costa Rica to try to solve the problem, because this situation endangers all that has been achieved for the reactivation of the CACM."

In regard to merchandise which is already on its way to Costa Rica, Sosa said that "the correct thing to do is to allow the Guatemalan merchandise to enter the country, because it is always a problem to make a decision that affects what is already in progress." "The Costa Rican authorities should establish provision norms to allow that merchandise to enter the country without problems." [passage omitted]

The Guatemalan Government considers that "the Costa Rican attitude does not contribute to the goodwill promoted for Central American integration."

The Guatemalan economy minister pointed out that "dialogue and understanding should prevail, because despite the fact that Nicaragua owes us $200 million, Honduras $57 million, and El Salvador $16 million, we have not taken any actions."

NICARAGUA

TINOCO URGES U.S. TO PAY DAMAGE COMPENSATION

PA162206 Managua Radio Sandino in Spanish 1930 GMT 16 Jul 86

[Text] The Nicaraguan Government has sent a note to the U.S. Government urging it to abide by the decision of the International Court of Justice in The Hague, regarding the compensation the United States must pay to Nicaragua for the damage inflicted on this country by the U.S. aggression. This was announced today by Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco.

Tinoco gave a broad report today on the outlook for upcoming months regarding Nicaraguyan foreign policy. He said that this policy will be aimed at implementing the subsequent phases that result from The Hague court's decision; namely, to politically and diplomatically neutralize the sequel of the involvement of the U.S. Congress in the war of aggression. Tinoco said that the current situation is serious, not so much because of the $100 million for the counterrevolutionaries, but because of the CIA's direct involvement in actions against the revolution. This implies the possibility of the Honduran Army's intervention in military actions against Nicaragua in the next few months. This, in turn, would result in the direct participation of U.S. troops.

Tinoco also referred to former Conservative Party Deputy Felix Pedro Espinosa's seeking asylum recently. Espinosa's immunity was removed by the National Assembly yesterday. Tinoco said that an official note from the Venezuelan Embassy confirming Espinosa's presence there has been received, but that the embassy has not requested [as heard] asylum for the Conservative Party member.

[Begin Tinoco recording] As I pointed out, The Hague International Court of Justice has ruled, among other things, that the U.S. policy is illegal and that Nicaragua has respected human rights and has taken defensive measures against a foreign aggression. The court has pointed out that this aggression by the United States must cease if that country does not want to appear as an international bandit.

Regardless of the U.S. stance regarding the court, the Nicaraguan Government will continue to work with the court. We will follow procedures. This is the only reasonable and logical way to resolve this situation. We cannot believe that this problem will be solved through war. This is why we will continue to make appeals at the court. The Nicaraguan Government is preparing to deal with the second phase of the case presented by Nicaragua against the United Staes related to the latters's military and paramilitary actions in and against Nicaragua. This second phase deals with the establishment of the amount of compensation the U.S. Government must pay Nicaragua as a result of its having been found guilty of aggression and violation of international law regarding Nicaragua.

We must keep in mind that the case at the court has not been closed. Only the first part, which deals with the guilt or lack thereof on the part of the United States has been completed. Now the court will have to discuss and decide on the compensation. I want to point out that the tribunal sets this forth in Paragraph 15 of the court's decision: The court, by a vote of 14 to 1, hereby rules that the form and the amount of compensation -- if a Nicaragua-U.S. accord fails -- will be decided upon by the court. Therefore, for this purpose, the court reserves the right to take the actions that the case merits. This has clearly been expressed in Paragraph 15 of the court's ruling.

This paragraph also includes other important concepts. It says that, if the parties do not reach an accord...[changes thought] This is to say, as is normal, the court recommends that the U.S. and Nicaraguan Governments agree on the amount of the compensation. I hereby announce that the Nicaraguan Government has proceeded to send an official note to the U.S. Government proposing that a meeting of the two governments be held to reach an understanding about the amount of compensation, as the court's procedures indicate. This measure is aimed at completing and fulfilling the court's recommendations. We do not know the U.S. Government's decision. We are simply proceeding to make the official proposal for a meeting to settle this matter, regardless of the answer of the U.S. Government.

This will determine the possibility of an understanding. If this is not possible, then a message will be sent to the court, so that the latter may proceed with the second stage of the case presented by Nicaragua against the U.S. Government which, as I have said, deals with the amount of the compensation. [end recording]

FSLN LEADERS SIGN VIETNAMESE CONDOLENCE BOOK

PA162338 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 15 Jul 86

[Text] The Nicaraguan president and members of the FSLN National Directorate signed the condolence book on the occasion of the death of Le Duan at the Vietnamese Embassy this morning. President Daniel Ortego praised the heroism of the Vietnamese people and Le Duan.

SECURITY EFFORTS FOR ANNIVERSARY CEREMONY CITED

PA162339 Managua BARRICADA in Spanish 15 Jul 86 p 5

[Text] Esteli -- Troops of the EPS border guard foiled two mercenary attempts to enter the country from Honduras on 7 July. The mercenaries suffered 40 casualties and were forced to withdraw to their camps on the other side of the border.

The first group of 80 mercenaries was confronted in the area of Macurali; the second group of 150 mercenaries fought the fire of the people's combatants in Playa Hermosa. Subcommander Julio Aviles, EPS chief of the General Staff in Region I, reported that the rebel leader known by the alias of "Rasputin," led one of the mercenary groups.

Subcommander Aviles said that in the past few days, the counterrevolutionaries have avoided head-to-head clashes with the soldiers of the people and have chosen to strike in the mountainous sectors of the country, one of these sectors being the northeastern area of Murra, in an attempt to enter deep into the country and attack economic and military targets in the region.

The military chief said that the CIA will try, through its mercenaries, to spoil the upcoming celebrations by preparing acts of sabotage, blocking sections of the highways, carrying out ambushes, killing civilians. They will carry out these actions "to stop our people from going to Esteli" on 19 July.

Subcommander Aviles also said that the counterrevolutionaries are also planning to strike the mountainous areas of Jinotega, south of San Juan de Rio Coco, northeast of Yali, and southeast of Quilali, and "we also know that there are many of them who are not in the country but are planning to cross into national territory."

These men, he added, are in camps in Tapalchi, Las Mieles, Boqueron, and Cacamuya -- all in Honduras -- and are planning to enter through Limay, where they will carry out acts of sabotage. They will also mine the roads in the area west of Esteli.

Aviles explained that in an attempt to foil the U.S. plans to spoil the 19 July festivities, and as part of the EPS General Staff's "Plans to Protect the Seventh Anniversary," which is currently under way, troops and the necessary material have been sent into the area to create a framework of security during the festivities.

"Despite the fact that Region I is at war, the region is quite capable of dealing blows to the counterrevolution wherever it may decide to strike and spoil the celebrations on the occasion of our seventh anniversary," the military chief said. The subcommander stressed the tasks assigned to the militia and other companies in the territory in the struggle against the mercenaries as well as the constant patrolling and surveying of the area's transportation network.

The military chief did not reject the possibility that the counterrevolution may attempt to strike important towns in the region before 19 July. These attacks would be for propaganda purposes, and we "have sent troops and the necessary materiel to defend the area."

Aviles added that a special role will be fulfilled by the militiamen in Segovia. This year they will greet the anniversary from their trenches in the mountains, exploring the region, carrying out operations against the mercenaries, and protecting their communities, cooperatives, and roads that will be used by the thousands who will attend the main event to be held in Esteli.

Aviles concluded by saying that "their best greeting to the revolution will be the protection they will offer to those who will come to celebrate the seventh anniversary."

BISHOPS SEND LETTER TO PRESIDENT ORTEGA

PA162248 Managua BARRICADA in Spanish 15 Jul 86 p 5

[Letter from the Nicaraguan Episcopal Conference, CEN, to President Daniel Ortega, dated 7 July]

[Text] Mr President of the Republic of Nicaragua, Commander Daniel Ortega Saavedra

Government House, Managua

Mr President:

After greeting you, the bishops of the CEN wish to express their most energetic protest over the latest and very grave actions that your government has carried out against the church: the expatriation of Msgr Bismarck Carballo, director of Radio Catolica and episcopal vicar of the communications media; the expulsion of Msgr Pablo Antonio Vega, bishop prelate of Juigalpa, vice president of the CEN, and member of the Pontifical Commission of Peace and Justice, from his episcopal see; the libels and insults against the holy father that were published in the progovernment communications. In addition to violating religious freedom and disrespecting the faith of the Nicaraguan Catholic people, these actions particularly offend the bishops of this episcopal conference and the entire church, and they increase the tensions between the church and state.

In light of these unjust actions against the church, which must be added to the previous expulsion from the country of 16 priests and 2 nuns and the pressures and threats of priests and faithful lay helpers, the bishops call for a correction of all of these actions through the return of the expelled clergy and the respect of freedom of religion in general.

We trust that for the well-being of the country and to prevent more suffering by the Nicaraguans, this situation will soon be overcome.

CEN

Msgr Bosco Vivas Robelo, Auxiliary Bishop of Managua and CEN Secretary

Nunez Tellez Replies

PA162253 Managua BARRICADA in Spanish 15 Jul 86 p 5

[Letter from Rene Nunez Tellez, minister of the Presidency, to the Nicaraguan Episcopal Conference, CEN, dated 11 July]

[Text] After 25 years, all weapons against aggression.

Managua, Free Nicaragua

11 July 1986

Msgr Bosco Vivas Robelo

Secretary of the CEN

Dear Monsignor:

We have received the letter you sent on behalf of the CEN to the companero president of the Republic on 7 July.

We perfectly understand the concern of the bishops of the Episcopal Conference over the legal measures that we were forced to take against Bishop Pablo A. Vega. His personal attitude and illegal actions have caused concern on our part for quite a long time, and we have made this known to you as well as to the Dialogue Commission, various bishops, the papal nuncio, and to the Holy See through our ambassador. Unfortunately, we were not heard. The personal positions in the political area and the illegal actions continued, leaving us no other option than to apply the law.

We do not agree with the Episcopal Conference's statement that the application of the law violates religious freedom and disrespects the people's faith. Instead, we believe that the actions of support for the policy of aggression suffered by the devout people of Nicaragua not only violate the laws of the Republic but also constitute disrespect of the faith of those very same people.

We agree with the Episcopal Conference that the situation that we have reached continues to create tensions and difficulties that must be overcome. That is why we insist that we need to begin a process of real and productive dialogue that will contribute to easing the difficulties experienced by our country.

We await your reply.

Sincerely,

Rene Nunez Tellez, minister of the Presidency

WHEELOCK ANNOUNCES REGION 4 LAND EXPROPRIATIONS

PA170345 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 16 Jul 86

[Excerpts] The central ceremony to salute the seventh anniversary of the Sandinist revolution and to remember the heroes and martyrs of Belen for Region 4 was held in Belen, Rivas.

During the ceremony, land deeds were handed out and several municipal works were inaugurated in the area. With the distribution of land reform deeds, a total of 300,000 manzanas have been distributed among residents of Region 4. [passage omitted]

On behalf of the revolutionary leadership, Commander of the Revolution Jaime Wheelock stressed tha the first achievement was the people's decision to combat Somozism and imperialism. Likewise, he praised the works performed to promote defense, which would have been very difficult if the people had not been organized. Speaking before an audience of over 5,000 people, he said that this year one of the basic achievements for Region 4 were agricultural transformations.

[Begin Wheelock recording] Here in Region 4 there were a total of 550,000 manzanas. The landowners had 360,000 manzanas, in addition to having the best lands. The revolution has expropriated land from and important sector of these landowners. To celebrate the seventh anniversary of the revolution, this year we want to give peasants 56,147 manzanas, which will come from 38,000 expropriation orders to landowners. We are going to give space, help, and decisive support to these families so that they joint the process of revolutionary transformations. This meeting is for peasants. [applause] [end recording]

CASTRO VISITS INDIAN WARSHIP IN HAVANA PORT

FL161202 Havana Radio Progreso Network in Spanish 1100 GMT 16 Jul 86

[Text] Commander in Chief Fidel Castro has visited the Indian warship Godavari, where he was received by its commander, Captain M.B. Karnik.

On board the ship, which is anchored in the Port of Havana, Fidel conversed with the captain and officers concerning the technical characteristics of the ship and reviewed the crew, which was assembled on deck.

VIETNAM'S VU DINH LIEU, DELEGATION ARRIVE

FL161148 Havana Radio Progreso Network in Spanish 1100 GMT 16 Jul 86

[Text] The vice chairman of the Council of Ministers of the Socialist Republic of Vietnam, Vu Dinh Lieu, has arrived in Havana heading the high-level delegation that will participate in the ninth intergovernmental meeting for the economic development of Cuba and Vietnam. The delegations from other countries [as heard] will draw up measures to increase cooperation in such fields as the sugar industry, communications, public health, electronics, basic industry, and others.

Talks Begin

FL170106 Havana Radio Rebelde Network in Spanish 2300 GMT 16 Jul 86

[Text] Diocles Torralba and Vu Dinh Lieu, vice presidents of the Cuban and Vietnamese Councils of Ministers, respectively, are presiding over their countries' delegations at the ninth Cuban-Vietnamese intergovernmental meeting for economic and scientific-technical cooperation, which began today. Later, the Vietnamese delegation will visit areas of economic and social interest in Cuba.

CROMBET MEETS WITH CZECHOSLOVAK OFFICIAL

FL170122 Havana Radio Rebelde Network in Spanish 2300 GMT 16 Jul 86

[Text] Jaime Crombet, member of the Secretariat of the Communist Party of Cuba Central Committee, has met in Prague with Frantisek Sramek, CSSR deputy chairman and minister chairman of the research and development and investment planning commission. Topics of mutual interest were discussed at the meeting.

COMMENTARY ON NY TIMES REPORT ON CIA, NICARAGUA

PA162200 Havana International Service in Spanish 2300 GMT 14 Jul 86

["Our America" commentary, read by Manolo Ortega]

[Text] In one of its latest editions, THE NEW YORK TIMES, which cites U.S. Government officials as its sources, has said that President Ronald Reagan transferred the direct responsibility of taking care of the Nicaraguan counterrevolutionary bands to the CIA.

The U.S. paper also mentions the old rivalry that exists between the Pentagon and the CIA, the latter becoming the leader of the warmongering escalation because it enjoys the presidential predilection.

In this regard, the sources cited by THE NEW YORK TIMES add that if William Casey, the director of the espionage agency, succeeds in pushing the former Somozist guards upward, he will restore to the CIA the glory of the times of the cold war. In those times, that organization was able to carry out wars and overthrow governments.

The ample report published by THE NEW YORK TIMES reminds us of another situation that is closely linked to the mentioned matters. Several U.S. political analysts recently said that in the U.S. Government environment, people are already saying that the delivery of the $100 million to the Nicaraguan counterrevolutionaries will be the last granted to those irregular forces, and that if they do not give irrefutable proof that they can succeed in their plans of overthrowing the Nicaraguan Government, more drastic measures would have to be taken.

These statements imply that specific steps are being made toward a direct U.S. military intervention in Nicaragua, and the presidential blessing to the CIA proves that this is true.

At the present time, and according to the way the situation stands, very few people remember that some U.S. legislators opposed the delivery of the million dollars in aid to the counterrevolutionaries because, in fact, the logistical and financial support was approved; and along with this, the doors were left wide open for an intervention against a sovereign and independent country, and thereby against the entire area.

At this moment, it is necessary to emphasize the request made this weekend by Nicaraguan President Daniel Ortega for the Central American rulers to act with responsibility to face the danger of the regional conflict spreading.

After charging the Governments of Costa Rica, El Salvador, and Honduras with complicity in the U.S. warmongering escalation and with yielding to Washington's pressures to sabotage the Contadora Group, Daniel Ortega said that the United States will not limit itself to rush at Nicaragua, but that it will spread the war to the entire region.

The desire for imperialist control, which precedes any U.S. action, has always proved that aggression against one country always has more ample objectives, and the proof of this is the Veitnam war and the attacks promoted by Washington in Africa and the Middle East.

The disaster suffered by the U.S. troops on the Indochinese Peninsula should be a reminder for the present U.S. Administration of the courage of the peoples, in the face of which all plans, regardless of how modern they are, are defeated.

COMMENTARY URGES SALVADORAN DIALOGUE RESUMPTION

PA162154 Havana International Service in Spanish 2300 GMT 14 Jul 86

[Commentary by Maruja Garcia]

[Text] Approximately a month ago, the Salvadoran regime agreed to resume the dialogue with the rebels. The dialogue was interrupted by Jose Napoleon Duarte in August 1984. Even though the rebels proposed the talks be held on 30 July, the government has not officially responded to this proposal.

On Saturday, rebel Commander Joaquin Villalobos told the rebel station Radio Venceremos that the peace proposal presented by the guerrilla movement to the Salvadoran Christian Democratic regime goes beyond the third round of talks, because besides proposing the [48-second break in transmission]

The important guerrilla explanation not only involves a national solution for the conflict, but also the avoidance of a regional war.

Even after the public acceptance of the resumption of the talks, Jose Napoleon Duarte's regime has still not talked again about the dialogue, an attitude that practically confirms the views of political observers who assert that Christian Democracy is only trying to maneuver and gain time to try to resolve the nation's internal problems.

On Sunday, during his usual homily, Msgr Gregorio Rosas Chavez, the San Salvador auxiliary bishop, said that the third round of talks should take place in a sincere atmosphere, always seeking, what is best for the people.

Similarly, Msgr Rosas Chavez talked about the rise of violence and mentioned the 51 murders that have taken place in the last 15 days, as well as the numerous arrests carried out by the regime.

The truth is that the situation of the Salvadoran regime, caught between U.S. pressure and the demands of the people, needs to be defined, and this cannot be postponed much longer without risking further aggravation of the crisis.

POLITBURO MEMBER PRESIDES OVER ENTERPRISE MEETING

FL162345 Havana Radio Rebelde Network in Spanish 2300 GMT 16 Jul 86

[Text] Politburo Member Jose Ramon Machado Ventura has spoken at the analysis meeting of Pinar Del Rio enterprises. The party leader said that in September and October inspections will be made on the measures and problems stated in all Cuban municipalities. Machado Ventura also said that there is a need to appeal to the morality of workers and leaders to promote the systematic and permanent struggle against everything of poor quality.

BARBADOS

TUDOR ON LATIN AMERICAN, COMMUNIST RELATIONS

FL161841 Bridgetown CANA in English 1639 GMT 16 Jul 86

[By Reudon Eversley]

[Text] Bridgetown, Barbados, July 16, CANA -- Barbados is looking to Latin America for new export markets, Foreign Minister Senator Cameron Tudor said today.

Tudor said the new Democratic Labour Party [DLP] administration had begun moves to deepen relations with Latin America.

Efforts were in train to boost trade with Colombia and there was a possibility of Brazil buying Barbados cement, he said.

There also were initiatives underway with Venezuela in housing, energy collaboration, and air services.

We regard...all our Latin neighbours as good neighbours and we wish to keep the closest possible contact with them for mutual advantage, Tudor told the Caribbean News Agency (CANA).

Asked about relations with Trinidad and Tobago, he said recent discussions between the two governments had helped to record some movement for good.

The DLP, when in opposition, had contended that relations with Port-of-Spain were strained under the previous government, and had promised to clear up misunderstandings when it formed the government.

Prime Minister Errol Barrow and his Trinidad counterpart George Chambers held discussions during the recent Caricom heads of government summit in Guyana and a ministerial team is due here towards month-end from Port-of-Spain for talks on the crucial issue of trade.

Tudor said the new government had not started a review of relations established by the last government with communist countries, about which the DLP in opposition had raised concern.

He mentioned Romania, Yugoslavia, Czechoslovakia, Albania, and Hungary among communist European countries with which Barbados had diplomatic relations.

He said he foresaw no possibility of breaking off relations with any of these countries unless one of these countries is proven to have done something against our interests and that is not now the case.

Asked about relations with communist Caribbean neighbour Cuba, Tudor said the government would pursue normal, friendly relations as it does with all other countries with which it maintains diplomatic ties.

We see Cuba as a Caribbean country. It therefore means perhaps much more to us than would Romania or Albania which are not Caribbean countries, he said.

TRINIDAD-TOBAGO

CCTT RECEIVES FIRST CAMPAIGN COMPLAINT

FL161827 Bridgetown CANA in English 1609 GMT 16 Jul 86

[Text] Port-of-Spain, Trinidad, July 16, CANA -- The Christian Council of Trinidad and Tobago (CCTT) -- which last month issued guidelines for the conduct of campaigning for forthcoming general elections -- has received its first complaint.

In a letter to the CCTT, the vice-chairman of the Main Opposition National Alliance for Reconstruction (NAR), Clive Pantin, has complained about comments made by Prime Minister George Chambers in his capacity as political leader of the ruling People's National Movement (PNM) last Sunday at a party Youth League rally.

Pantin told the CCTT that everything seemed to suggest that the PNM planned to fight forthcoming general elections on grounds of race and violence.

Chambers had told Youth League members that the NAR -- a four-party merger -- formed part of a grand design to wrest power from a certain section of society -- an apparent reference to race.

He ended his speech also with a comment that, in politics, he would not wait for the whites of his opponent's eyes but shoot from behind.

Pantin asked CCTT chairman, the Reverend Kingsley Lewis, to use his office to ensure that all parties adhered to the code of conduct. The code asked that scurrilous attacks, racist language, and misrepresentations be avoided the election campaign.

JAPANESE AMBASSADOR PRESENTS CREDENTIALS

FL162138 Bridgetown CANA in English 2120 GMT 16 Jul 86

[Text] Kingstown, St Vincent, July 16, CANA -- Japan's new ambassador to Trinidad and Tobago and the eastern Caribbean, Mitso Iijima, has hinted at a new era in relations between Japan and the Caribbean.

Ambassador Iijima, who is based in Trinidad and Tobago, this week presented his credentials to Governor General Sir Lambert Eustace and held discussions with Prime Minister James Mitchell.

He said both the people and Government of Japan were very conscious of the trade imbalance between Japan and not only the Caribbean, but the rest of the world, and were doing their best to correct this.

It would take some time, but I hope the situation would gradually be rectified, the Japanese ambassador said.

Iijima said the will, commitment, and dedication of the human resources of Japan enabled the country rebuild a vast society and a stable and peaceful country, and were mainly responsible for its tremendous economic growth over the years.

ACTING PRESIDENT INSTALLS NEW CABINET

FL162024 Paramaribo International Service in English 1800 GMT 16 Jul 86

[Text] Today the acting president of Suriname installed a new government cabinet at the people's palace in the heart of the capital. The information of the new cabinet resulted from the participation of the traditional political party in the top deliberating council, the highest political organ in the country.

At the installation, the acting president said the new government will have to work out an economic and political policy which will inspire Surinamese.

The cabinet is headed by businessman Pretaap Radhakishun, the main spokesman of the business organization, who is also minister of general affairs.

Jules Wijdenbosch is the minister of internal affairs, district administration, peoples' mobilization and justice.

Andre Korrnaar, minister of labor.

Ewald Grep, minister of social affairs.

Soebhas Mungra, minister of finance.

Henk Herrenberg, minister of foreign affairs.

Orlando van Amson, minister of sports and youth affairs.

Wilfred Maynard, minister of army and police.

Cornelius Ardjosomito, minister of agriculture, animal husbandry, and fisheries.

Harry Kensmil, minister of natural resources and energy.

W De Miranda, minister of transport, trade and industry.

Wolfred Wolfram, minister of telecommunications, works, and construction.

Dr Arty Jessrun, is the new minister of health.

Allan Li Fo Sjoe, minister of education.

FBIS
DAILY REPORT
CONTENTS

Latin America

Vol VI No 139 21 July 1986

ARGENTINA

Alfonsin To Attend Group of Six Meeting in Mexico B 1
Army Chief, Delegation Depart for PRC B 1
Deputy Seeks Meeting of Contadora Support Group B 1
SIDE Reports on Alleged Sale of Secret Codes B 2
    Ambassador Comments on Suspect B 2

BOLIVIA

President Opens Latin American Parliament C 1
Minister Defends Government Antidrug Campaign C 1
    Further Antelo Remarks C 2
Major Drug Traffickers Escape Sweep C 3
    Antelo on First Results C 4
    'Thousands' Flee Operations C 5
Protests Continue Over Arrival of U.S. Troops C 5
    COB Objects to U.S. Presence C 5
    Paz Impeachment Sought C 6

BRAZIL

Angola Wants To Purchase Embraer Planes [O GLOBO 17 Jul] D 1
    Vehicle Purchase Contract Signed [FOLHA DE SAO PAULO 17 Jul] D 1

CHILE

Military Brought Before Court for Alleged Torching E 1
    Further on Military Involvement E 1
Gelbard Expresses Confidence in Government Plans E 1
Minister Comments on Meeting With Gelbard E 2
Truck Owners Confederation Joins ANC E 3
Gendarmerie Suspends Jailed ANC Leaders' Visits E 3
Rodolfo Seguel Announces 'March for Peace' E 4
UDI's Guzman Questions PDC Alliances, Consistency [LA TERCERA DE LA HORA 12 Jul] E 4
Correction to Garcia Comments on Gelbard Meeting E 4

COLOMBIA

Subcommission Reports on Charges Against Betancur F 1
12,000 Families Affected by Floods in East F 1

URUGUAY

Ministers Meet To Discuss Gelbard's Visit [ULTIMA HORA 18 Jul] H 1
    PATRIA Views Visit [18 Jul] H 1

PERU

Alva Castro Stresses Work of APRA Conference J 1
Peasants Block Highway, Occupy Piura City J 1

URUGUAY

President Deemed Well After Dizzy Spell K 1
Iglesias Leaves for USSR, Confirms Summit in B.A. K 1
Minister Notes Reduction in Military Personnel K 1
Briefs: Increased Exports in 1986 K 1

VENEZUELA

Lusinchi Address to Nation on Economic Reform L 1

MEXICO

De la Madrid Receives PAN Document on Elections M 1
Sepulveda Discusses Contadora, Elections, Debt [Madrid EL PAIS 10 Jul] M 1
Foreign Secretary Sepulveda Visits Netherlands [cross-reference] M 4

CENTRAL AMERICA

BELIZE

Esquivel Returns From Guyana, Israel, UK P 1

EL SALVADOR

Duarte Rejects Debate Proposed by Rebels P 1
    Spokesman on Debate P 2
    Fronts Reiterate Proposal P 3
Gen Blandon Comments on Expelled Americans P 4

GUATEMALA

Cerezo Favors 'Change' in Nicaraguan Regime P 6
Quinonez Condemns Salvadoran Expulsion P 6

HONDURAS

Lopez on Contadora Prospects, C.A. Meeting P 7
EPS Reportedly Shells 4 Border Villages P 8
Soldier Killed by Salvadoran Rebel Mine P 8
Students Protest Outside Nicaraguan Embassy P 8

NICARAGUA

Nation Marks Sandinist Revolution Anniversary P 9
    Foreign Delegations Noted P 9
    Security Precautions Imposed [ACAN] P 10
    Ortega Speech P 10
'At Least 12' Mi-17 Helicopters Reportedly Received [LA REPUBLICA 14 Jul] P 20
Borge Confirms Helicopter Crash in Bluefields [Mexico City] P 20

CUBA

Havana Concludes Foreign Debt Negotiations [NOTIMEX] Q 1
Castro Sends Ortega 7th Anniversary Greeeting [Managua] Q 1
  Havana on Anniversary Q 2
Crombet Meets With Hungarian Officials Q 3
Ambassador Meets With Poland's Malinowski Q 3
Flemacon Holds Meeting in Havana Q 3

SURINAME

Bourterse Opens Nonaligned Movement Seminar U 1
  Further Remarks U 1
  New Prime Minister Attends U 1

ALFONSIN TO ATTEND GROUP OF SIX MEETING IN MEXICO

PY180325 Buenos Aires DYN in Spanish 2309 GMT 16 Jul 86

[Excerpts] Buenos Aires, 16 Jul (DYN) -- The Foreign Ministry today announced that President Raul Alfonsin will attend on 6 and 7 August a meeting of the "Group of Six" that will be held in Ixtapa, Mexico. Alfonsin will be accompanied by a delegation that will include Foreign Ministry Secretary for International Relations Jorge Sabato, who is President Alfonsin's personal representative before this peace-seeking organization.

Mexican President Miguel de la Madrid, former President of Tanzania Julius Nyerere, and Indian, Greek, and Swedish Prime Ministers Rajiv Gandhi, Andreas Papandreou, and Ingvar Carlsson will also attend this meeting. [passage omitted]

The lack of concrete progress in the negotiations between the United States and the Soviet Union and the worsening of international tension has prompted this meeting of the Group of Six which will take place in Mexico at the invitation of President Miguel de la Madrid. [passage omitted]

ARMY CHIEF, DELEGATION DEPART FOR PRC

PY190319 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0135 GMT 19 Jul 86

[Text] Buenos Aires, 18 Jul (NA) -- General Hector Rios Erenu, Army Joint Staff Chief, and a mission from the military industries left tonight for the PRC to reciprocate a visit to Argentina last year by a delegation from the PRC military weapons factory, Norinco.

The military industries delegation is headed by General Paul Ricardo Mattiuzzi, a member of enterprise's Board of Directors. The delegation is made up of other members of the Board of Directors. Late last year, a mission from Norinco visited Argentina for nearly a month. It was then stated that the PRC delegation became interested in the purchase of armor-grade steel sheets and of the computerized system of the TAM [Argentine Medium Tank] turret.

General Rios Erenu and the Military Industries delegation left tonight at 2200 on a Pan-am flight to the United States where they will make a connection for Beijing.

DEPUTY SEEKS MEETING OF CONTADORA SUPPORT GROUP

PY182209 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1216 GMT 17 Jul 86

[Text] Buenos Aires, 17 Jul (NA) -- Deputy Eduardo Vaca, of the Peronist Renewal Faction, has urged the Argentine Foreign Ministry to summon an "urgent meeting" of the Contadora Support Group with the purpose of finding "a peaceful solution" to the Central American conflict and of "ratifying the need for the Latin American people to play a leading role" in this endeavor. In a press communique distributed at the Chamber of Deputies, the Buenos Aires legislator stated that "the decision (of the U.S. Government) to place the CIA in charge of military operations carried out by the anti-Sandinists, clearly reveals the impunity with which (President Ronald) Reagan intends to handle his country's foreign relations.

Vaca requested that the Contadora Support Group, to which Argentina, Brazil, Peru, and Uruguay belong, try once again to engage in dialogue with the United States and Nicaragua "as an indispensable element to solve the crisis." He then asserted that "these developments prove the need to issue a death certificate for the OAS, which died long ago, and to start taking steps to establish a new organization to encompass all Latin American countries.

SIDE REPORTS ON ALLEGED SALE OF SECRET CODES

PY181304 Buenos Aires TELAM in Spanish 1028 GMT 17 Jul 86

[Text] Buenos Aires, 17 Jul (TELAM) -- The Secretariat for State Intelligence (SIDE) has reported that it is conducting a thorough investigation into the alleged sale of its secret codes and the reported role of agent Pablo Valle in the sale. The SIDE last night released a communique signed by Director Leandro Monterrey that states SIDE President Facundo Suarez has been informed by Argentine Ambassador to Switzerland Leopoldo Tettamanti about the precautions taken regarding this possible sale. The communique states that the illegal transaction might have been committed by former SIDE representative in Geneva, Pablo valle, before Dr Facundo Suarez became head of the SIDE. The text does not say when the transaction might have taken place, or who was SIDE president at the time.

It adds that Ambassador Tettamanti has informed the SIDE president that the security measures required in such cases were in force at the time. In conclusions, it says that, in addition to these security measures, the most complete administrative investigation has been ordered.

Ambassador Comments on Suspect

PY181408 Buenos Aires Domestic Service in Spanish 1600 GMT 17 Jul 86

[Text] It has been denied that Pablo Valle, accused of selling secret Secretariat for State Intelligence [SIDE] codes, worked at the Argentine Embassy in Switzerland. Argentine Ambassador to Switzerland Enrique Quintana has stated that Valle was never part of his staff in Switzerland, but that he was accredited to the international organizations headquartered in Geneva, which is under the jurisdiction of Ambassador Leopoldo Tettamanti.

He was not an employee of this embasssy, the only thing I know is that he was accredited as an adviser in Geneva, and that he has been transferred back to the country, Quintana stated. He added that he is unaware who could have been the SIDE representative in Geneva who could have sold the secret SIDE codes, or if that person is back in Argentina or somewhere else. He said that this matter concerns the Foreign Ministry.

Argentine Ambassador to the International Organizations Headquartered in Geneva Leopoldo Tettamanti has stated that the secret codes of the Argentine Government are absolutely safe and secure. Tettamanti has minimized the possibility that they could have been sold to Geat Britain, for instance. He added that Pablo Valle did not have access to those documents, which were in the hands of a special committee working in Geneva. He said that the members of that committee are specialized personnel totally devoted to the nation, and we can rest assured that these documents are totally safe.

PRESIDENT OPENS LATIN AMERICAN PARLIAMENT

PY181855 Madrid EFE in Spanish 0252 GMT 18 Jul 86

[Text] Santa Cruz, 17 Jul (EFE) -- Bolivian President Victor Paz Estenssoro today said that Latin America is running the risk that drug trafficking may become an economic power and later project itself into the political field. This statement was made during the inauguration of the Latin American Parliament in the presence of delegates from all the democratic countries of the area.

The meeting will continue until next Sunday, when the Parliament will issue a document on the drug trafficking problem and its bearing on the legal and clandestine economies, the integration process, and the foreign debt.

PAZ said: "A matter of extreme gravity facing Latin America is the growing traffic in and consumption of narcotics." The president added that Bolivia shares with other countries the responsibility for the production of coca leaves, which adds greater complexity to the problem.

The president emphasized that the restriction on planting, the incentives for alternative crops, and the prohibition of the traffic with the application of stiff penalties must be considered, even when these actions demand large economic resources to become effective, "because a considerable amount of money is at stake."

But to achieve this effect determined international cooperation is necessary, because the damage caused by drug trafficking is also international, said the president. Regarding the foreign debt, Paz Estenssoro said he supports joint negotiations, thus "presenting the problem not only within its strict economic limits, but as a general political problem."

The president also spoke about the magnitude of the clandestine economy and its related activities, which "have distorted the economic process to the detriment of the collection of funds for the treasury." In conclusion, the president expressed his belief that it is time for Latin American leaders to review their integration plans and update them to make them more realistic.

MINISTER DEFENDS GOVERNMENT ANTIDRUG CAMPAIGN

PY182253 LA Paz La Red Panamericana in Spanish 1700 GMT 18 Jul 86

[Text] The government has voiced concern over the conflicts in Oruro and Potosi departments.

Information Minister Herman Antelo has stated that in order to try to overcome these conflicts, the president of the Republic will receive Potosi representatives on 21 July, and he is also willing to meet with Oruro authorities.

Minister Antelo stated that the government is determined to struggle against drug trafficking, and that a great deployment of aircraft and troops is being carried out in Trinidad. He added that the struggle against drug trafficking is important. This is what the information minister said:

[Begin Antelo recording] First, we must agree whether or not we want to struggle against drug trafficking. This is the main issue. People sometimes criticize the government for not doing enough to combat drug trafficking, but when an operation is carried out to seriously confront this scourge they protest. Therefore, it is important that we agree in this regard.

If we are combating the problem, as we wish to do through this operation, there will naturally be a deployment of troops and aircraft and it will not be pleasant for the many towns that will have to witness and endure this. Things are being done, however, in the most reasonable way, in the most peaceful way, so as not to cause damage, problems, or unrest among civilians. Therefore, they should rest assured that we are not going to act outside the law. Quite the contrary, we are going to act within the law. I repeat that the entire operation will be carried out in the most objective and peaceful manner in order to avoid any abuses or injustices. [end recording]

Later, the information minister said that the government has no problem answering Congress' inquiries and that its decision to receive U.S. Army officials is in keeping with the law.

[Begin recording] I Well, the government has the duty of answering any question posed by the legislative branch, and it will do so. We believe, however, that the initial statements were really prompted by lack of information rather than by any attempt to do anything definite. Yesterday the government issued a detailed report on the legal grounds on which it accepted U.S. support, and we believe that once this is understood, all distortions on the initial information will be clarified. Moreover, I have already heard some congressmen, including the chief of the ADN [Nationalist Democratic Action], making statements supporting the operations against drug trafficking.

I believe that spreading distorted information, such as emphasizing the presence of the U.S. Armed Forces, only conceals the main objective, which is to struggle against drug trafficking, which is in Bolivia and the international community's interest. Therefore, we do not fear being summoned by Congress to provide information. It is Congress' duty to do this and it is the government's duty to grant all this information, but we are not afraid because the Bolivian Government's decision is soundly based on law. [end recording]

Further Antelo Remarks

PY190226 La Paz La Red Panamericana in Spanish 0000 GMT 19 Jul 86

[Excerpt] The Bolivian-U.S. operation in the Beni region was the topic of a press conference by Information Minister Herman Antelo. Foreign reporters went to Government House to listen to the minister's explanation of the news which stirred great excitement even in the United States, where several major newspapers asked the Reagan administration for an explanation on the matter.

Minister Antelo first explained that the Mobile Units for the Rural Areas [Umopar] seized chemical products from a clandestine cocaine factory, arrested an individual, and confiscated an airplane on its first operation.

[Begin Antelo recording] I would like to explain that antidrug trafficking operations started in the Beni region today. Our first report informs us that the Umopar forces have found a cocaine laboratory and arrested a person who was trying to dismantle the labortory. A small airplane and chemical products for drug processing were also confiscated. It is believed that the laboratory had the capacity to process 1 or 1 and 1/2 metric tons of cocaine weekly. The Umopar forces carried out the operation, and U.S. helicopters merely transported the men and then withdrew. [end recording]

Minister Antelo stated that U.S. troops do not participate in the antidrug-trafficking operations, as was reported by some media. He said the operations carried out in the Beni region are strictl police and not military operations. He did not deny that the United States is cooperating with the special Bolivian antidrug-trafficking forces by providing necessary logistical support.

[Begin recording] We want to be clear about this, and we spoke about this in an official communique yesterday. There are no American troops here. We are getting U.S. aid in transportation and communication, and the Americans who are in the region are providing only logistical support for the operations. They have not, are not, and will not participate in any direct repressive operation. Therefore, we want to specify that this is entirely a police operation. I will not never tire of saying that the Americans are here just to give us logistical and technical help. They are transporting the Umopar forces and helping with the communications systems. This is not a military operation but a police operation. [end recording] [passage omitted]

MAJOR DRUG TRAFFICKERS ESCAPE SWEEP

PY190353 La Paz La Red Panamericana in Spanish 0000 GMT 19 Jul 86

[Text] Despite the secrecy with which the most spectacular antidrug-trafficking operation ever was carried out in Latin America, the principal cocaine traffickers have, for the time being, escaped. Specialized U.S. and Bolivian antidrug forces today found that the ranches of the main Bolivian drug traffickers were deserted. These ranches are located in Yacuma and Magdalena Provinces in Beni Departement, northwest of La Paz.

An unidentified official source told EFE in Trinidad that American Black Hawk combat helicopters equipped with infrared vision overflew the Yacuba and Magdalena regions, considered stronghold of the most important drug traffickers. The source, who specifically requested that his name not be revealed, said that the Santa Ana region is being patrolled because it has more thatn 600 clandestine landing strips. Unofficial sources report that there are 633 landing strips, while the Trinidad Aeronautics Directorate has only 200 of them registered.

The Santa Ana region is deserted, the main ranches of the drug traffickers are empty, the source said. The ranch of Roberto Suarez, the well-known cocaine kingpin, which is located 5 minutes from the Santa Ana de Yacuba Province capital, was abandoned, according to the same source. It is thought that the drug traffickers fled to Panama a month ago. However, the region is still being patrolled by the Mobile Units of the Rural Areas [Umopar] forces by land, and by U.S. helicopters.

The cocaine kingpin is no longer the king. He is just number 28 on a 50-name list of Bolivian and foreign drug traffickers who operate in Bolivia. Jorge Roca, known as Straw Roof, is also on the list, and he had been sought for months, as have the many Chavezes, Lopezes, and others, the source stated. The antidrug-trafficking operation began on 16 July in the Beni region, just 2 days after U.S. logistical support arrived in Bolivia. This American aid consists of 6 Black Hawk helicopters and 160 U.S. Army officers, experts on communications and mechanics. Bolivian authorities reported this after the supposedly secret operations were found out by the public as well as by the Bolivian Congress.

The government source denied that the land where the drugs are being cultivated has been declared a military zone. It said that all activities are being carried out normally, although some restrictions were imposed on some of the hangars at Trinidad airport, as can be expected. The source also denied that United States had sent weapons, the people simply saw boxes with transmission equipment, which are the most modern in the world. It seems that with this operation, the government is trying to control drug trafficking in this region which has extensive borders and hundreds of clandestine air strips. The source said, we want to surround the drug traffickers, but it will be very difficult because we are confronting well-trained people, mercenaries of several nationalities. There are many Colombians, Lebanese, and Brazilians with modern weaponry.

The Brazilian Federal Police force yesterday ordered its agents and garrisons to remain on general alert along the Bolivian border to prevent drug traffickers from escaping into Brazil. The Peruvian Embassy today also expressed concern over this possibility.

Antelo on First Results

PY192234 La Paz La Red Panamericana in Spanish 1700 GMT 19 Jul 86

[Text] Information Minister Herman Antelo gave a press conference at noon today in his office for Bolivian and foreign reporters. He explained the operation carried out by the militarized police force known as the Leopards against drug traffickers in the El Beni Department. He said that on Friday, 18 July, the Leopards seized a farm (El Farro) and a small airplane. The copilot was arrested, but the pilot escaped into the woods. The minister stated: [Begin recording] To sum up the operation carried out yesterday, I can tell you the following: The farm that was seized is called (El Farro). It is located in the province of Yacuma. It has two aristrips, one of which is long enough to accommodate large airplanes, so reporters will be able to go there later. The landing strip can be used by other planes.

The airplane apparently was seized because it landed after the arrival of the troops. The occupants did not realize that the troops were already there. When the plane stopped, the Leopards shouted to the pilot to surrender, but both the pilot and the copilot started running. The piliot escaped into the woods, but the copilot was captured. He is a young boy, approximately 17 years of age, known as Luis Fernandez. He was reportedly born in Santa Ana. According to the detainee, the pilot's surname is Ortega, alias Gaucho, also from Santa Ana.

The laboratory is believed to be the largest discovered so far, comparable only to two others discovered last June in Marban Province, EI Beni Department. The information I have just given you has been confirmed, although the information on the infrastructure at (El Farro) farm varies. The infrastructure consists of large camouflaged tents in the woods. Seven tents with wooden floors have been discovered in the woods. It is estimated that they housed at least 75 workers. The material discovered included 300 kg of permanganate, 100 kg of hydrochloric acid, 2 barrels of ether, 3 kegs of acetone, and enough food to feed 75 persons for several days.

According to reports from peasants living near the area, there was a great deal of airplane traffic on 13 July. It is believed, therefore, that the dismantling of the farm began then. The peasants said they were prevented from going to the farm by armed guards. Information available on the infrastructure is not precise. We have also received information of a different nature. But you will be able to check on all this as soon as we are able to take you to the area.

To elaborate, four helicopters were deployed today to two different objectives, in Itenez Province. They have already returned to base with negative results, perhaps because the available information was not checked out thoroughly. No drug-processing activity was observed in these areas. More reconnaissance flights will take place this afternoon to check on areas for future operations. [end recording]

'Thousands' Flee Operations

PY202250 Paris AFP in Spanish 1537 GMT 20 Jul 86

[Text] La Paz, 20 Jul (AFP) -- Thousands of people from Chapare (central area of the country), where coca cultivation is concentrated, are leaving the region, fearing the repressive actions of the Bolivian police with the support of U.S. troops, who arrived on 15 July. This event, which has been widely publicized by the Cochabamba press, may worsen the country's social problems because it will affect not only the drug traffickers and coca growers, but also hundreds of merchants who sell kerosene, sulphuric acid, and toilet paper, which are used to make cocaine.

Radio Panamericana in La Paz has reported that the six Black Hawk helicopters, which were brought by a U.S. Galaxy airplane, have already conducted successful operations in Yapacani (north of Santa Cruz), but there was no official information about this operation. According to the radio report, some important drug traffickers have already been arrested.

PROTESTS CONTINUE OVER ARRIVAL OF U.S. TROOPS

COB Objects to U.S. Presence

PY181902 La Paz La Red Panamericana in Spanish 1700 GMT 18 Jul 86

[Text] The Bolivian Labor Confederation [COB] has protested the government's decision to allow U.S. troops into the country to fight drug trafficking.

The COB has stated that this is the beginning of interference in an issue that only concerns the nation. the COB criticized the government for allowing this interference, which violates the law, and for putting the country at the service of foreign ideologies that are against our principles. The COB also promised to release a document in the next few hours.

COB Defense Secretary Jose Maria Palacios said:

[Begin recording] The Bolivian people have condemned this action because it violates national sovereignty. This is the second imperialist interference in our country. The various working sectors and classes of the country condemn this action. This is without any doubt a shameless intervention to preserve the current regime, which represents the interests of the businessmen, the oligarchy, and the imperialists in the country. The COB has already prepared a public document and we reiterate those concepts now. [end recording]

Paz Impeachment Sought

PY200200 Paris AFP in Spanish 1745 GMT 19 Jul 86

[By Andres Soliz Rada]

[Excerpts] La Paz, 19 Jul (AFP) -- Parties and individuals have asked for the impeachment in Congress of President Victor Paz Estenssoro for having permitted U.S. troops to enter Bolivia without authorization by the legislature.

The first impeachment request was made by Luis Sandoval Moron, head of the ruling Nationalist Revolutionary Movement (MNR) in Santa Cruz, who said that the president has flagrantly violated the Constitution.

At the same time, dozens of congressmen and political and labor leaders agreed that the government had permitted a serious violation of national sovereignty, which should be examined by the Congress when it returns from recess on 6 August.

Interior Minister Fernando Barthelemy and Information Minister Hernan Antelo have countered the criticism by denying the arrival of U.S. troops, saying that only support personnel and communications experts arrived in the Galaxy and Hercules planes that landed on 15 July, loaded with eight Black Hawk helicopters, as well as armed soldiers to guard the planes and equipment. [passage omitted]

Meanwhile, it is being said by the opposition that one of the objectives of the Reagan administration is to establish a military base in Bolivia, capable of acting quickly and effectively against drug trafficking in any other South American country.

The opposition has also warned that the presence in the country of Drug Enforcement Administration (DEA) agents, and possibly CIA agents, could be used against the political parties and labor organizations opposing Paz Estenssoro.

Government officials have announced that the U.S. soldiers will stay in the country for an unspecified time, which also goes against the Constitution, which states that Congress must fix the exact length of time for the presence of foreign troops in the territory of the nation, if it authorizes their entry.

No reactions have yet been heard from the military commands, which might feel annoyed by the comment by the Bolivian Embassy in Washington that the U.S. troops had come to stop drug trafficking from corrupting the Bolivian officers. Such comments could cast doubt on the morality of the Armed Forces.

These concerns were addressed by the information minister when he said that the discussion should center on the need to fight drug trafficking, which he called a sore that could undermine the very basis of the Bolivian society. This opinion was supported by Bolivian Ambassador to the United States Fernando Illanes, who was warned that Bolivia is in danger of having the drug traffickers take over the government of the nation.

ANGOLA WANTS TO PURCHASE EMBRAER PLANES

PY181818 Rio de Janeiro O GLOBO in Portuguese 17 Jul 86 p 17

[Text] Brasilia -- Angola is interested in purchasing Embraer [Brazilian Aeronautics Company] planes for military and civilian transport lines. Officials from Embraer and Luanda have already begun talks, and now they need only to establish the financial conditions and the configuration of each plane.

This report was released yesterday by Aeronautics Minister Octavio Julio Moreira Lima following a meeting with President Jose Sarney. Angola intends to purchase Brasilia and Bandeirante aircraft for short-distance lines that are of interest for the country's social development.

The minister stated: "Angola, like most other countries, has also expressed interest in Tucano planes, but unfortunately it found that the prices were too high."

Moreira Lima went to the Planalto Palace to explain to President Sarney all the details of the Aeronautics Cooperation Agreement between Brazil and Argentina.

"It was part of the preparation for the visit that President Sarney will pay to Buenos Aires at the end of the month," he explained.

The agreement with Argentina foresees the design, development, and sale of a new aircraft, the EMB-123 Parana. According to the Aeronautics minister, "The agreement is well coordinated in in its preliminary stage."

Vehicle Purchase Contract Signed

PY181914 Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 Jul 86 p 8

[Text] Angolan Foreign Trade Minister Ismael Gaspar Martins yesterday said in Sao Paulo that the $150-million (about 2 million cruzados) [figures as published] contract which was signed last month by his country and the Brazilian armament enterprise Engesa S.A., provides for the manufacture of armored vehicles, including not only the purchase of military trucks by the Angolan Government, but also the installation of a plant for repairing about 30 percent of the country's heavy trucks, particularly those meant for military use, which are standing idle for lack of repair and spare parts. According to information obtained by FOLHA's correspondent in Vale do Paraiba, before the end of this month six Engesa engineers will travel to Angola to start checking out the technical and operational problems in that country's fleet of heavy vehicles.

On 2 June, when the news of the signing of this first contract for the purchase of war materiel by Angola was released, it was reported that Engesa would only supply various military trucks, models EE-15 and EE-25, and EE-50 with Mercedes-Benz engines for the transportation of troops and light weapons. Minister Ismael Gaspar Martins has pointed out that his country is particularly interested in the possibility of repairing and recovering, through Engesa, about 5,000 trucks of its fleet of 15,000 heavy trucks. These vehicles are Scanias and Volvos, "whose technology is also known to Engesa," he said.

MILITARY BROUGHT BEFORE COURT FOR ALLEGED TORCHING

PY190126 Madrid EFE in Spanish 0046 GMT 19 Jul 86

[Text] Santiago, 19 Jul (EFE) -- Brigadier General Carlos Ojeda, commander of the Santiago Garrison, announced tonight that 25 militarymen have been brought before the court for their alleged responsibility in the intentional setting afire of youths Rodrigo Rojas and Carmen Gloria Quintana on 2 July.

Further on Military Involvement

PY100249 Madrid EFE in Spanish 0209 GMT 19 Jul 86

[By Fernando Rueda]

[Excerpts] Santiago, 18 Jul (EFE) -- Sixteen days after it was reported that two Chilean youths had been set afire and then abandoned on a suburban street in Santiago, the Chilean Army today admitted that 25 militarymen, including 3 officers, are allegedly involved in the affair. [passage omitted]

Brigadier General Carlos Ojeda, commander of the Santiago Garrison, announced during an unexpected press conference tonight that the alleged culprits had been identified. In his written statement Gen Ojeda said that a military patrol surprised a group of youths who were carrying containers with flammable materials. Rodrigo Rojas and Carmen Gloria Quintana were among these youths.

The general explained that one of the containers was overturned "by one of the persons arrested" and the clothes of the two youths caught fire. In his statement Gen Ojeda recalled that initially the Army had denied any involvement in the affair and admitted that "further investigation permitted us to ascertain that certain Army personnel were involved in the incident."

The lawyer of relatives of the two youths, Hector Salazar, tonight said that official statement shows the irresponsibility of the military high command which claimed soon after the events that no uniformed troops were involved.

Furthermore, Salazar stressed that the claim that the youths themselves overturned the container with flammable material and thus got burned does not at all explain why the two were abandoned on a suburban street in the capital instead of being taken to a hospital. [passage omitted]

GELBARD EXPRESSES CONFIDENCE IN GOVERNMENT PLANS

PY181603 Santiago Domestic Service in Spanish 1100 GMT 18 Jul 86

[Excerpt] The government has promised that it will implement a democratic system in 1989, and its present plan gives us confidence in this regard. This is what Robert Gelbard, U.S. deputy assistant secretary for Inter-American affairs, said during a press conference that was attended by many Chilean and foreign journalists. Also present at the press conference was Harry Barnes, U.S. ambassador to Chile.

Before answering questions posed by the journalists, Gelbard read an official statement in which he reasserted that the objective of his visit was to learn about the situation in Chile and that his visit had been planned 2 months ago.

Gelbard said that during his meetings with government officials and representatives from different national sectors all those involved were quite frank and direct in expressing their opinions. In the statement he read, Gelbard said that we repudiate violence from wherever it comes because it is not only an attack against civil and human rights, but against the achievement of a future democratic Chile.

The U.S. envoy added that we cannot expect that groups such as the Communist Party, which today promotes violence as a means to achieve its political objectives, will subject themselves to democratic rule in the future.

Gelbard also said that those who recognize the communists and other extremist groups are not helping to achieve a stable and democratic Chile. Gelbard expressed his confidence in the government regarding the announcements made to implement a full democratic system in 1989. [passage omitted]

MINISTER COMMENTS ON MEETING WITH GELBARD

PY181611 Santiago Domestic Service in Spanish 1100 GMT 18 Jul 86

[Excerpts] [passage omitted] Regarding his talk with Robert Gelbard, U.S. assistant secretary for Inter-American affairs, Interior Minister Ricardo Garcia said that they talked about different issues -- among them the essence, content, and basis of the institutionalization process.

[Begin Garcia recording] As you well know, Mr Gelbard has scheduled this visit to Chile within the framework of a tour through Latin American nations that he planned some time ago. He (?is interested in holding talks) with several government officials, among whom I was included.

In keeping with his wish I was pleased to meet with him yesterday and to hold a long conversation, which according to what Gelbard himself said at the end of this meeting, was mainly centered on the institutional development that the government is conducting; the different regulations that are being implemented; and particularly, on the essence, content, and basis of this legal and constitutional regulation.

As I told Gelbard, this regulation does not merely consist of the issuance of a series of regulations, but a fundamental part regarding communications, public administration, and essentially political sectors. [end recording]

When asked about the recent statement made by Chilean Air Force Commander Fernando Matthei, Garcia said that he would not comment on Matthei's statement.

The interior minister was also asked about a letter sent by the Truck Drivers Union that requested that the government drop the trial against the leaders of the so-called National Civic Assembly [ANC]. In this regard he said:

[Begin Garcia recording] We have been quite clear regarding respect for the courts and the implementation of their decision. We have also decided that any confusing issue will be referred to the courts for a decision. In keeping with this decision, which I believe deserves the respect of all citizens and which has been praised many times by the unions themselves, we have simply provided for the consideration of the courts the background material leading to the incidents of 2 and 3 July so that the courts may issue a decision.

I believe that this [words indistinct] completely different from a mere government request. It is the government's duty to request the courts to define the culpability of certain persons when processing incidents that result from disturbances that may undermine the peace. [end recording]

Regarding the reason for his visit to the building located at the corner of Esmeralda and Ismael Valdez Vergara streets, where an AFP [Retirement Funds Administration] office is presently operating, Garcia said that the objective of his visit was to verify the situation in the field and that this showed the government's interest in the progress of the electoral registries.

[Begin Garcia recording] You are well aware that we have been concerned not only with promoting the development of the law itself, of advancing on the electoral registries law, but also with preparing all those working tooks that will allow us to implement the law as soon as it is promulgated.

We were of course concerned with looking for a site where the electoral registry could operate. After several efforts, we have received an offer [words indistinct] which is the building we have just visited. [passage omitted] [end recording] [passage omitted]

TRUCK OWNERS CONFEDERATION JOINS ANC 18 JULY

PY190344 Madrid EFE in Spanish 0213 GMT 19 Jul 86

[Excerpts] Santiago, 18 Jul (EFE) -- Dr Ricardo Vacarezza, president of the Santiago medical school, today assumed the post of coordinator of the National Civic Assembly (ANC) and announced that the organization will hold to its line of "patriotic civil disobedience." In his inauguration speech, the new ANC coordinator said that a demonstration of solidarity with arrested ANC leaders will be scheduled for 25 July. [passage omitted]

Dr Vacarezza replaces Osvaldo Verdugo, president of the Professors College of Chile, who immediately after assuming his post was summoned by the Interior Ministry and then arrested on the order of the judge who is hearing the suit the government brought against the ANC leaders. [passage omitted]

Today, the ANC claimed its first great victory when the Truck Owners Confederation of Chile officially announced that it was joining the ANC Council, where the confederation will be represented by its president, Julio Lagos.

GENDARMERIE SUSPENDS JAILED ANC LEADERS' VISITS

PY210301 Madrid EFE in Spanish 1612 GMT 20 Jul 86

[Text] Santiago, 20 Jul (EFE) -- The Directorate of the Chilean Gerdarmerie (the uniformed police in charge of the prisons) today ordered the suspension of visits to the 17 leaders of the National Civic Assembly [ANC] who are currently in prison. According to the authorities, the suspension is due to incidents provoked on 19 July by approximately 200 teachers, who arrived at the prison to greet their top leader, Osvaldo Verdugo, who was imprisoned along with 16 other leaders of the country's main social organizations.

The Chilean military government has accused all of these opposition leaders, who are jailed in the Capuchions Annex of Santiago Prison, of being responsible for violence that occurred during this year's first national strike against General Augusto Pinochet on 2 and 3 July.

The Gendarmerie report was denied by leaders of the Chilean Teachers' Association, who stressed that "during the mass visit we made to our leader, Osvaldo Verdugo, there were absolutely nc incidents."

RODOLFO SEGUEL ANNOUNCES 'MARCH FOR PEACE'

PY181328 Madrid EFE in Spanish 1356 GMT 17 Jul 86

[Text] Santiago, 17 Jul (EFE) -- The Chilean National Workers Command (CNT), led by union leader Rodolfo Seguel, today announced that it will soon call a march "for peace and against violence." The CNT also says in its communique that it is determined "to show solidarity with and undertake mobilizations for the unconditional freedom of the imprisoned leaders" of the Civic Assembly.

Fourteen Assembly leaders have been in jail since last week, accused of violating the state security law by calling the general strike of 2-3 July. The repression of this protest strike left 8 dead, approximately 100 wounded, and nearly 800 arrested.

UDI'S GUZMAN QUESTIONS PDC ALLIANCES, CONSISTENCY

PY182135 Santiago LA TERCERA DE LA HORA in Spanish 12 Jul 86 p 6

[Text] In a public announcement Jaime Guzman, secretary general of the Independent Democratic Union [UDI], said yesterday that his party "accuses the Christian Democratic Party [PDC] of reaching the most extreme degree possible of inconsistency and ambiguity." He added that at first the PDC tried to justify its repeated alliances with the Popular Democratic Movement [MDP] by presenting them as "agreements on social problems," which were not political pacts.

Guzman said: "These arguments, however, were refuted by the evident political connotations that the PDC and Communist leaders have given to their alliances in several university and labor union elections, as well as in the stoppage" of 2 and 3 July.

Guzman thus answered public statements by PDC Vice President Jose Ruiz do Giorgio, who said "that the agreements or alliances his party has made with the MDP do not contradict the PDC rejection of violence," because the "armed groups of the Movement of the Revolutionary Left (MIR) and the Manuel Rodriguez Patriotic Front are outside the political structure of the MDP."

Guzman added: "It is clear now that the PDC is forced to admit that it has made and continues to make agreements with the MDP and only tries to justify it through the grotesque argument that the armed groups of the parties or movements which make up the parties are not part of the MDP."

In conclusion, Guzman said: "Thus, the PDC believes it is possible to construct a democratic regime in alliance with Marxist-Leninist, and therefore totalitarian, groups. From now on we Chileans must be aware that the PDC finds nothing wrong with making agreements with parties and movements that defend and carry out violence and terrorism, so long as these parties state that ther armed groups are not included in the agreement."

CORRECTION TO GARCIA COMMENTS ON GELBARD MEETING

The following correction pertains to the item headlined "Minister Comments on Talk With Gelgard," published in the 18 July Latin America DAILY REPORT, page E 1, paragraph one, line two:

... That it was extensive and focused on... (changing word "tense" to "extensive.")

SUBCOMMISSION REPORTS ON CHARGES AGAINST BETANCUR

PA182027 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 17 Jul 86

[Text] Bogota -- The conduct of President Belisario Betancur and Defense Minister General Miguel Vega Uribe [during the M-19 seizure of the Justice Palace] did not violate the law. It was a government action that was carried out in good faith, and therefore we recommend that the charges presented to the Chamber of Representatives be dismissed, the subcommission created to study those charges has concluded.

The subcommission formed by Liberals Carlos Mauro Hoyos and Horacio Serpa Uribe and Conservative Dario Serpa Ordonez will ask today that the file opened against the president and the defense minister be dismissed. The file was opened due to charges formulated by three private individuals and Attorney General Carlos Jimenez Gomez.

The subcommission members believe that according to the current laws, however controversial thge decisions of government leaders might be, they cannot be contested. The subcommittee said that the charge against the president was filed against a government action that is the exclusive concern of the president, such as the maintenance of public order. It added that the subcommission does not have sufficient grounds to contest it from a legal standpoint.

The subcommission's report added that with their silence, the Colombian people have already passed judgement on President Betancur's decision -- a decision that legislators have described as political -- not to negotiate with the M-19 terrorists and not to suspend the military operation so as to guarantee respect for the lives of the terrorists. Government leaders have to account to their people and history for their good or bad actions, the report stressed. This will be discussed in Congress tomorrow.

12,000 FAMILIES AFFECTED BY FLOODS IN EAST

PA210244 Bogota Television Service in Spanish 0132 GMT 21 Jul 86

[Text] In the eastern plains, the rainy season has inflicted irreparable property damage to more than 12,000 families. In addition to the dramatic reports that "Promex" reporters have obtained in various parts of the country, the authorities reported that they lack sufficient means to deal with the emergency, warnming that they may be forced to request foreign assistance. Up until today, 34,000 tons of foodstuffs had already been dispatched to various points of the country.

MINISTERS MEET TO DISCUSS GELBARD'S VISIT

PY182203 Asuncion ULTIMA HORA in Spanish 18 Jul 86 p 12

[Excerpt] Several ministers and the president of the Supreme Court have held a high-level meeting at the Foreign Ministry to evaluate Paraguayan-U.S. relations in different fields, on the eve of the visit by U.S. Deputy Assistant Secretary of State for Inter-American Affairs Robert Gelbard to Paraguay.

Supreme Court President Luis Maria Argana, Foreign Minister Carlos A. Saldivar, Interior Minister Sabino Augusto Montanaro, Justice and Labor Minister Eugenio Jacquet, and Defense Minister General Gaspar German Martinez attended the meeting. The high-ranking government officials did not disclose the issues discussed, but they did say that they had conducted a general review of the subjects that may be touched upon with Gelbard next week. The issues have to do with politics, national security, human rights, union freedom, economy and other topics that have a bearing on relations with the United States. The U.S. deputy assistant secretary is scheduled to meet with these officials. [passage omitted]

PATRIA Views Visit

PY181736 Asuncion PATRIA in Spanish 18 Jul 86 p 7

[Editorial: "Nothing Better Than To Get To Know"]

[Text] The visit to Paraguay of the U.S. State Department's under secretary of state for Inter-American affairs is important, and above all the itinerary he will follow to get here, although incomplete, is important. Nevertheless, we are certain that his presence in the country, and the contacts that he will make, with the assistance of the White House ambassador here, whose experience and expertise have been demonstrated by his previous activities in his country, will have an enlightening and stimulating effect that will benefit the good U.S.-Paraguayan relations.

He will not be met here by reports such as those from Madrid, for example, about a bus being blown-up, 9 policemen killed, and 60 injured. Nor by ones like those which have just been received from Colombia, where 10 people were killed during a clash with the M-19 guerrillas, nor the tragic incidents in Peru and Chile, nor even by those of the hold-up of a bus on its way to Paraguay, in which the passengers were outraged and stripped of their jewelry and money "right near here." However, more important still, he will not find in the subcontinent, much less in Paraguay, anything similar to what has been taking place in Central America, or even the ideological uncertainty that might lead one to think about replacing democracy as the ideal of free government, of the people, for the people, and by the people, as Lincoln once said.

In South America there are no institutionalized dictatorships, such as Cuba and Nicaragua. He might be met by some temporary situation, a situation of transition, but in the great current of South America ideals, all the impetus pluralist, and antitotalitarian democracy, in which the will of the people is periodically expressed in order to elect the authorities through the votes of the majority, without impairing the rights of the minorities.

In yesterday's editorial we clearly explained that in Paraguay the situation is different. Without having to resort to rhetoric, we can say objectively, concretely, based on facts, and using any yardstick to compare situations, that Paraguay presents, letter by letter, a d-i-f-f-e-r-e-n-t s-i-t-u-a-t-i-o-n and, in honor of the justice that is due to people as well as to nations, this is how Paraguay should be seen by the international community, in which there is no place for sectarianism or the shady political dealings that sometimes obscure the internal political struggles of countries.

Our America's recent history is filled with blood, violence, abuses, extremisms, and radicalizations, but none of them has taken root in Paraguay, where the outbreaks of reactionary barbarism have been sporadic and have not managed to obtain a firm footing or any followers. Since the iniquitous civil war of 1947, unleashed from abroad by the coalition forces of the opposition against the legal democratic opening, and especially against the undeniable leadership of the Colorado Party, there has been no place in Paraguay for organized aggression against the civil power. Guerrillas, invasions, movements, columns, and even the complicities with foreign assistance have failed here; there has been no dirty war here; the history of missing persons in minimal; the slanderous reports of the communist and extremist propaganda have never been confirmed; and there is no institutionalized torture here. Proof of this is shown by the various trials being conducted against some police officers accused of abusing of their power, as does happen -- and in fact occurs even in the United States. There are no political prisoners here, and if there were, or there are common criminals held for political reasons, they have all been tried by the regular courts; the general rule has been benign treatment with the right to release on bail or to parole in most cases. Even if some "arbitrariness" is pointed out, it will be seen that the "victim's" record allows more drastic penal procedures. A relative "quarantine" has been adopted instead to preserve public order and the normal development of the legal political activity. This is, on making a thorough analysis of the country's situation, what the people really want. This is the most appropriate for the coexistence of the largest sectors of society, among the peasants of this country of farmers, among factory and shop workers, that is, among the largest and most representative sectors of the population. And we are not going to find this in any of those demagogues who tear their clothes, but are unable to shoulder with everyone else, without excuses, what is best for all.

We are certain, because we have confidence in justice, that the high-ranking official of the State Department, with the assistance of the enlightened experience of the U.S. ambassador, will see enough in a few days' visit to get to know Paraguay as the plotters and extremists do not want it to be known.

ALVA CASTRO STRESSES WORK ON APRA CABINET

PY181624 Lima Television Peruana in Spanish 0100 GMT 18 Jul 86

[Excerpts] The Cabinet ministers this afternoon oficially presented their resignations en masse to President Alan Garcia Perez. This was announced by Prime Minister Luis Alva Castro at the end of a long meeting with the president at Government Palace. Alva Castro recalled that a week ago he presented a detailed report to the president on the work performed by all the ministers, who have fully fulfilled their historical responsibility of being part of the first APRA [American Popular Revolutionary Alliance] Cabinet. Among the most important achievements, he stressed the reduction of the inflation rate. [passage omitted]

[Begin recording] [Reporter] Can this resignation en masse of the Cabinet ministers be taken to indicate that a ministerial crisis exists?

[Alva Castro] Absolutely not. There is no crisis. I want to stress this, because whan we want is to fulfill something established: Every 28 July, on completing 1 year of work as members of the executive branch, the ministers must tender their resignations to the president of the Republic. A week ago I gave the president a detailed report on the work conducted by the ministers. They have fully complied with their historical responsibility. The first APRA Cabinet is a historic Cabinet. It assumed a challenge due to the serious crisis affecting the country. And after a year of work, we are convinced that we have made progress. All Peruvians are convinced that we have made positive progress. The achievements can be seen by all Peruvians.

[Reporter] Could you name some of the most important achievements of the first APRA Cabinet?

[Alva Castro] Some say that the most important achievement is the stability we have given to the democratic system. It is also said that we have regained the confidence and security the country needs for a better future. This is said in general terms. But no one can disregard the fact that the struggle against inflation has been a complete success. And it has been a success. During the last 11 months of the previous government, inflation increased greatly, reaching as high as 173 percent. But during the first 11 months of APRA government, inflation has been reduced to only 70 percent. [end recording]

PEASANTS BLOCK HIGHWAY, OCCUPY PIURA CITY

PY181907 Madrid EFE in Spanish 0315 GMT 18 Jul 86

[Text] Lima, 17 Jul (EFE) -- Demanding better prices for the cotton that they produce, some 5,000 peasants have practically seized the city of Piura, 1,000 km north of Lima. According to reports released today in Lima, the peasants have blocked the northern Pan-American Highway with agricultural tractors and settled in the main square of Piura demanding the presence of Prime Minister Luis Alva to meet their economic demands. The police managed to restore traffic on the Pan-American Highway after confronting the peasants, who then moved to the main square in Piura. They are demanding the fulfillment of the offer made to them to increase cotton prices and the reduction of interest on loans granted to then by the Agrarian Bank. We are not intransigent, peasant leader Luis Montalvan stated. We only want fulfillment of the promise made to us. Piura Prefect Enrique Andrade said that he had contacted the Economy and Finance Minister in Lima and that he had confidence a solution to the conflict would be found quickly. The peasants stated that they will not return to their land until their demands are met.

PRESIDENT DEEMED WELL AFTER DIZZY SPELL

PY190243 Montevideo Radio Carve in Spanish 0000 GMT 19 Jul 86

[Text] The Office of the Presidency of the Republic has confirmed that President Sanguinetti was found to have nothing wrong with him after the slight dizziness he felt this morning during a ceremony to celebrate the anniversary of the Constitution. An official communique states that the president walked to City Hall, where he recovered.

The communique adds that Public Health Under Secretary Samuel Villalba attended Sanguinetti, but did not find anything wrong with him. Villalba stated that the president's indisposition could have been caused by a digestive problem or by his intense activities. Sanguinetti visited various sectors of Montevideo this morning.

IGLESIAS LEAVES FOR USSR, CONFIRMS SUMMIT IN B.A.

PY160154 Montevideo Radio Carve in Spanish 0000 GMT 16 Jul 86

[Text] Foreign Minister Enrique Iglesias has confirmed that President Julio Sanguinetti will meet at the end of the month in Buenos Aires with Argentine President Raul Alfonsin and Brazilian President Jose Sarney. During this meeting the three presidents will discuss the development of the relations among the three nations. Iglesias also disclosed that they will discuss the initiatives being taken by the three countries to strengthen cooperation and commercial ties.

Minister Iglesias left today for the Soviet Union, Bulgaria, and Hungary. His visit is political and economic in nature and is backed by quite strong relations which, he stated, he hopes to strengthen.

MINISTER NOTES REDUCTION IN MILITARY PERSONNEL

PY200104 Madrid EFE in Spanish 1740 GMT 19 Jul 86

[Text] Montevideo, 19 Jul (EFE) -- According to a report by Defense Minister Juan Vicente Chiarino, the Armed Forces has reduced its personnel by 2,800 during the 16 months of democratic government. The minister announced 2 weeks ago that the government has begun a "very important" reduction of military personnel by not filling vacancies, which in the Army are 20 percent.

This reduction will also affect the Navy and the Air Force, but to a "lesser extent," Chiarino added. Currently, the Uruguayan Army's personnel amounts to 20,000 out of 2.9 million inhabitants. After this reduction the number of Army personnel will be similar to what it was before the military regime (1973-1985).

According to political estimates the number of Armed Forces, policemen, firemen, and other personnel in Uruguay reached 60,000 during the de facto regime.

BRIEFS

INCREASED EXPORTS IN 1986 -- Montevideo, 3 Jul (EFE) -- The industry and energy minister has reported that Urugayan exports will exceed $1 billion this year, that is, they will increase by 20 percent in relation to last year, when exports totaled $850 million. The minister said that exports during the first half of 1986 increased by $100 million in relation to that of 1985. [Excerpt] [Madrid EFE in Spanish 2334 GMT 3 Jul 86 PY]

LUSINCHI ADDRESS TO NATION ON ECONOMIC REFORM

PA180245 Caracas Television Service in Spanish 0001 GMT 18 Jul 86

[Speech by President Jaime Lusinchi at Miraflores Palace -- live]

[Text] Fellow countrymen:

Once more I address the nation, fulfilling my responsibility as a president, with the intention of announcing decisions which I believe are important in this current phase of our republican life. The national reality encourages our sense of duty and desire to maintain a constant communication with the country, always alert to the events in the economic, political, and social sectors, acting without undue haste but without stopping our activities, and always planning for the future.

I have proved that it is possible to fully exert the government's leadership without losing the capacity to listen at all times, a trait which must characterize those who lead our democracy. We also believe that we have clearly proved our ability to resist the temptation of immediate and spectacular results. We think that the leadership of a country during adverse moments requires serenity, patience, and the ability to recognize an opportunity. Our policy has always been to act after considering, as much as possible, the consequences of our government's actions and after fully evaluating the possibilities for our country. It is understood that this involves the government's actions as a whole.

Based on this, I have requested the people's help for the recovery tasks that circumstances have imposed on us. Every time I have participated in a dialogue with you -- who today see or hear me in your homes and workplaces, and tomorrow will read about me in the national news media -- I always referred to the situation we found when we received the government. I have done this only because the Venezuelans should never forget that squandering, easy solutions, negligence, and the desire to get rich without effort led us to the unassimilable paradox of becoming poor amidst the greatest abundance of resources that the country had even enjoyed.

The following is not a vain invention, it is a dramatic reality: Between 1979 and 1983, the immense amount of $73 billion was squandered, in barely 5 years. This represents half of all the revenues in petro-dollars in our history, as of 1940 -- no less than 43 years. In 1983, we imported more than 60 percent of our food; our industrial capacity languished and was almost totally idle; our internal and external public debt was overdue and anarchic, and its interest was unpaid; our public services and national infrastructure were completely ruined. The country's spirit, defense mechanisms, and desire to struggle were defeated and distorted to the point where more than $25 billion was taken out of the country. Part of this was due to corruption, another part due to an antipatriotic desire to speculate, another part due to a fear of seeing one's life savings destroyed, and another part because a few were encouraged by those who should have safeguarded our foreign exchange and coin, but only encouraged the Venezuelans to spend and invest abroad.

Given this dramatic reality, there was no other alternative: We had to begin the task -- not always pleasant or recognized -- of establishing an internal order and raising the very action of ruling to trustworthy levels. Even though our goal was to launch ourselves at the country's reconstruction from the very beginning, the truth is that we had to spend a substantial part of our energies in establishing the basis for a coherent and sustained action. This process, of recovering the conditions necessary for the government to exert itself for a change, is painful, long, and -- as happens when one has to correct the actions of others -- involves anonymous efforts that are not always publicly recognized.

I can now safely state that we have managed to amend the lack of fiscal balance and attain -- during the 1984-85 fiscal year -- an accumulated surplus of 46.9 billion bolivares. This has allowed us to increase the reserves of the treasury, oil industry, and other state enterprises. The inflationary process is under control and, despite the important adjustments to the prices of certain goods as a result of the modification in our exchange rates, the average inflation has remained under control -- around 12 percent -- during the last 2 years. A significant decrease in the rate of inflation has been noticed during the last few months and the accumulated inflation rose barely 2.6 percent during the last 5 months -- from January to May 1986.

Yesterday, we received pleasing official information from the president of the Central Bank of Venezuela, stating that the final figures of our economy for 1985 show a 0.6 percent increase in the gross non-oil domestic product. Therefore, 1985 is the first year in which we achieved economic growth following 6 consecutive years during which our economy showed a negative increase. We have attained zero level, surpassed this level, and we continue to grow. This means that, after inheriting a prostrated economy and a negative 5 percent growth rate, we have overcome this and managed to make it grow.

In my message to the congress on 14 March 1986 I said -- and I repeat it with more emphasis today, given the latest oil developments -- that we have managed to refinance our foreign debt; regulate our internal debt; stop the uncontrolled expansion of the official bureaucracy; abolish the budget deficits; consolidate our external accounts; strengthen our international reserves; put the state-owned corporations on a sound basis; begin to reduce unemployment; embark on the road to economic growth; revitalize agriculture; revitalize the industrial sector; encourage our nontraditional exports; begin to restore the quality of our public services; begin a progressive improvement of our health, nutrition, and education sectors; and give the country a renewed trust in its own capabilities.

However, the oil crisis has worsened and underscored the risks and instability in the world's economy. When we began the current fiscal year we planned our oil revenues based on a price of $24.50 per barrel. Compared to the revenues of the past years, this represented a significant drop. However, based on this, we planned our course of action. But, the uncertainty of the market and the current situation forces us to predict that, despite the excellent management on the part of the oil industry, the price of a barrel of oil, combined with our export volume, will be approximately $10.00 less than the price estimated earlier this year. This paints a dramatic picture for 1987. Speaking in absolute terms, this means that in 1986 we will lose revenues in the amount of $5 billion and 30 billion bolivares and we can prudently predict that by 1987 we will experience the same level of revenue that we predicted for this fiscal year. That is the problem.

Today, Venezuela has seen the oil revenues drop 50 percent in comparison to 1981. Yesterday's price was $29.71 per barrel; today it averages $15.00. Speaking in terms of the family budget, let us imagine that our national wages have been cut by half. This is the challenging situation we face, and we cannot stand idly by. Therefore, we must all contribute to closing the gap that oil has made. And I mean everyone.

I must state that the government's wisdom and seriousness concerning expenditures, handling of international reserves, and the promotion of domestic production, has allowed us to absorb the heavy impact of this situation in 1986. This was done with the savings we had accumulated. However, this will not be possible in the future if we do not adopt other measures that will guarantee a more in depth change in the country's economic and social sector.

We must now adopt, with anguish and concern for Venezuela, serious decisions to thus balance, with the greatest equity possible and always thinking about a stable future, the contributions in efforts, work, and sacrifice that each one of us must make under the current circumstances. Given the uncertain oil outlook, we need a positive national answer to overcome the crisis. Furthermore, I think that it is important for me to point out, and this is part of the crisis, that the attitude of the various national sectors is not exactly positive. Moved by an overwhelming instinct of preservation, they feel -- some in good faith and others for selfish reasons -- that the decrease in revenue should discriminate and not affect them.

We must assume that every Venezuelan is aware of the very difficult situation we are facing. Assuming that this is so, we find that the serious part comes when the quota of sacrifice is demanded, because we all have hopes that the crisis will affect others and not touch us. To justify this, excuses that are unobjectionable under normal conditions are used. The businessmen say that the productive system must be protected, therefore, this sector should be subsidized and guaranteed profits so that the economy will not be destroyed. The workers say that their purchasing power has been affected and that it should be increased. The universities are asking for more money because they have greater expenses. The unemployed demand wages at any cost. The government tries to spend at the same rate as when it had twice the revenue it is currently receiving. We all want to maintain the same comfortable and artificial standard of living that a growing oil revenue and an unlimited indebtedness allowed us to enjoy. This is simply not possible. This is the harsh reality. It would be very dangerous and vain to try to hide it, and since I said that I would be the president of the truth, I must state it bluntly.

We, the Venezuelans, must grow accustomed to the idea that the alienating and modern privilege of getting everything the easy way has come to an end. We must now, just like the pioneers who came from the old country, accept the possibility of being prosperous through our own efforts. Businessmen must understand that they will have to sacrifice profit to protect productive activity; those who have jobs must understand that productive activity must be defended and they must help create jobs for others. The government must understand that it cannot continue to spend so freely and that, with the funds available, it must cover the priorities. This is particularly true for the organizations and officials who handle the health, education, and public service requirements. We are in the government to service, not to be served. We will ask everyone to give his share; the government will be the first.

We cannot postpone the task of adopting the decisions that will adjust the country to the new situation. Our decisions have not been easy ones, and we do not think that the implementation will be any easier. However, we are forced to distribute the load in accordance with the capabilities of absorbing them. Obviously, some will feel that their load is larger; however, we hope that they will understand that these measures were adopted to guarantee the economic and social health of the nation. We acted with a view to the future to direct the government actions toward those who need it most and deserve it. This is a government of popular origin, and it will honor its commitments to the people.

We have carefully considered our new course of action in view of the current difficulties. We have taken the time necessary to guarantee a serious, conscientious study of the factors at hand, both direct and indirect. We have consulted, listened to, and weighed the opinion of various leading sectors of Venezuelan society. In the course of these past months, we have received valuable contributions from many specialists in economic and social matters. Our government has discussed in depth all the alternatives proposed during the past few months. Finally, we have selected a flexible course of action aimed at the fulfillment of the basic objectives we proposed for the good of the people. We seek these objectives:

A. To guarantee an economically and socially harmonious self-sufficient development on a medium- and long-term basis. This development should provide adequate levels of employment, agricultural self-sufficiency, the substitution of imports, and the fostering of our exports as the result of the steady strengthening of our productive system;

B. To guarantee the equitable and fair distribution of national revenues; and

C. To bring about the greatest possible well-being for the current population, aiming basically at the improvement of the coming generations' standard of living.

The policy outlines that we have been constantly pointing out and that lead to a cumulative change of Venezuelan society and its relations with the state are still current. No changes occur here, nor can they occur. There are strategic variations, yes, imposed by circumstances or recommended by experience or the stances of the various sectors. This is related to the actions that I want to announce to all Venezuelans tonight and that will determine the government's course of action in the near future. These are those immediate-action measures:

1. In view of the sudden oil price drop, we have suspended the subsidy given to Venezuelan private sector and public sector enterprises so that they could pay for their foreign debt with dollars on a 4.30-bolivar exchange rate. This debt will now be paid with dollars at the only preferential rate that the country will use: 7.50 bolivars to the dollar. This subsidy was approved when the price of each barrel of oil was higher than $26 and the national economy was on the verge of bankruptcy. We regarded this subsidy as necessary and possible at the time, but it cannot be maintained under current circumstances. It is impossible. The only alternatives we had for this were either the devaluation of our currency for all the population or an indebtedness that all Venezuelans alike must bear. Responsibly, my government chose to eliminate this subsidy. We know that the enterprises -- attaining a reasonable profit margin today and in consideration of the positive dynamics generated by our economic reorganization -- will be able to absorb this cost and thus respond to the sacrifice that the nation demands from them at present. This determination will save the national economy and them.

Any other solution, apparently easy, unfair, inconvenient, or that would have disrupted the economic and social rhythm, would have surely dragged them to ruin in the end. This should be pondered for a while. Do it.

2. We will adjust our fiscal policy to update the income tax and make more reasonable the tax collection on the profits obtained as the result of the state-built infrastructure works. We will update the revenue from fiscal stamps and the rates charged for public services. All this will be made in the context of the recommendations presented by the Fiscal Reform Commission, formed by distinguished specialists who worked conscientiously and seriously for a number of years.

3. We will amend the foreign investments statute to foster the entry of fresh capital in the country. This will be carried out within the well-known policies that we have established and that we intend to affirm and facilitate.

4. We will ban the import of agricultural goods produced in the country in sufficient quantities. We will also ban the import of all that can be substituted with other agricultural products on our farms.

5. We will reduce the imports of all finished products to those strictly necessary in order to save currency for the raw materials and the semi-manufactured products so as to guarantee the national industry's activities and certain development.

6. We will establish a true export economy, taking all pertinent measures to guarantee efficiency and avoid the excessive permissiveness and absurd biases that still weigh on the economy.

7. We will implement the national energy plan by harmoniously organizing the official sector in charge of energy generation and distribution. For years this sector has grown and developed in a disorderly way and with a serious scattering of resources.

8. We will structure an integrated plan to support social housing projects for which 5 billion bolivars will be alloted during my government's term. This will permit loans for the construction of homes and will make it easier to purchase these homes over a period of up to 20 years with fixed interest not higher than 9 percent. All this will be made within a mechanism similar to the one established in President Romulo Betancur's successful Decree No 611.

9. We will structure a national program to support the tourist infrastructure. For this, 3 billion bolivars will be earmarked during my government's term. This program and the one we mentioned previously for housing will be managed jointly by workers and employers in the context of the social pact.

10. Regarding a greater reduction of government expenses, we have issued a directive to increase austerity in public expenditures by radically eliminating unnecessary disbursements. This directive complements current norms and corrects the defects detected during their application.

11. We have established a scholarship and wage program which will benefit some 50,000 Venezuelan youths who will participate in a 6-month training course and receive a minimum wage payment of 1,500 bolivares.

12. We have ordered the ministers of the infrastructure to redraft the construction of workers' program to give definite importance to the works of sanitation, provision, and consolidation of neighborhoods and to rapid job-creating projects.

13. We have ordered a training program for the personnel of the autonomous institutes, state enterprises, state governments, and the central administration to train them so that they can carry out their work in priority areas which require trained personnel.

14. We have given instructions to rationalize the government's purchases aimed at intensifying the Buy Venezuelan Decree and to prevent expenditures in the public administration. We have made significant advances in this respect, but we are still not satisfied.

15. The prices of the 30 basic products of the family basket are frozen.

16. We have issued a decree to abolish all unnecessary requirements and red tape which will exist in public offices in the processing of official transactions, except those established by laws and regulations.

This decree also orders the immediate revision of the terms established in those laws and regulations, to request of the Congress or the Council of Ministers, whichever the case, their immediate amendment.

17. The finance minister has received instructions to appropriate the funds necessary, after meeting the corresponding procedures, in order to implement or consolidate the following social programs: milk for the people, students' glass of milk, pregnant women's care, school lunches, school dinners, soup kitchens, health and education expenditures control, penitentiary policy, and public service improvement, particularly city transportation.

18. As part of the orderly process that should prevail in an efficient state, the Council of Ministers approved the president's order to make the administrative procedures of serving the public more expeditious, as proposed by the Presidential Commission for State Reform. This order of obligatory implementation for all branches of the central administration and the decentralized administration is aimed at simplifying all the procedures which a citizen normally requires, something very important which has been long needed.

19. We have issued a decree abolishing the solvency requirements which most of the time and without any good reason are required by the public adminsitration. From now on it will be necessary to collect only the last order of payment. Thus, we eliminate one of the most bothersome factors of the relations between the contractors and suppliers with the state.

20. We will submit to Congress a special bill for the sale of assets not used by the public administration, from enterprises that are not fundamental. Thus, we comply with my government's desire to make the citizens the main promoters of the productive and social process. The state reserves the role of strategic leader of society. This bill will make it possible to overcome the mess of legal procedures which thus far have prevented our political will from becoming a reality.

21. After analyzing the studies submitted by the Presidential Commission on state reform, regarding the decrees issued by the Executive Branch under the restriction of the economic guarantees established in Article 96 of the Constitution, we have issued a decree abolishing all the provisions that have no current justification, or that in view of the advances made by our legislators, can be based on existing laws.

As should be expected, the ministers and organizations in charge of their implementation will give full details of all these measures.

I want to place special emphasis today on the social policy I outlined in its fundamental guidelines in my message to Congress last March. It is my intention to strengthen the government's action in this fundamental aspect of the nation's life. For this reason I have reserved for myself the right to explain the measures regarding the social issues.

The confrontation with crucial poverty and the passive and active role of the family in society's development demands that we give priority attention to direct and specific changes in relation to indirect and generalized subsidies. We must also implement a functional overall social policy. For this purpose, I gave instructions to have all organizations in the social sectors aim their efforts at achieving the proposed goals.

Such actions have recently led to the implementation of a functional social policy in which, in order to overcome the obsolete and harmful paternalistic attitude of the state, it has been necessary to establish guidelines on which the people can agree and through which they can increase their motivation, education, and training to improve their living conditions, their social organization, and unity.

It is a matter of putting into effect in a systematic way the concept that the rendering of services by the state should result in an attitude of motivation and improvement on the part of the people, aimed at achieving their independence from paternalism and other negative foreign factors.

It is a matter of keeping abreast of the new Venezuelan reality, which means a less generous and interventionist state, and citizens who are more creative and self-supporting.

The operating social policies we have adopted seek to stress the following areas: employment; nutrition and health; education and training, including actions in the scientific and technological fields; fomenting social and economic forms of community organization, like neighbors' associations and cooperatives; culture, in order to promote the strengthening of our national identity; crime prevention and the antidrug struggle, in order to defend our human resources.

Regarding employment, in addition to strengthening the macroeconomic plans already underway, the already-mentioned program of scholarship wages [becas salarios] handled through the INCE [National Institute of Cooperative Education] becomes important, as it aims to facilitate, with the concurrence of participating enterprises, the gradual training and integration of young workers into the productive apparatus. In this regard, certain sectors will receive special atttention in order to overcome productive bottlenecks, such as the ones in the production of food, marketing, tourism, and maintainance [mantenimiento]. I also want to stress the implementation of a large-scale program of public works projects in neighborhood and the preservation of public works projects which will benefit hundreds of Venezuelans.

As for the field of nutrition, the substantial reinforcement which the Government's actions have achieved is worth noting. These actions include: the implementation of the school milk program in which milk is distributed to 2.3 million preschool and school age children throughout the 150-day school year; a large-scale expansion of the school lunch and cafeteria programs; and broader direct nutrition assistance to mothers and children at mother and infant health centers. We are currently putting the final touches on the structuring of these programs to turn them into permanent realities. In this way, we are fulfilling commitments made to give special attention to the basic family unit. We will also stress instruction on nutrition in order to improve the habits of the citizens regarding our native resources, family expenses, and health.

In the field of education, we will continue stressing the preschool and primary school as well as programs directly linked to production, such as technical and industrial schools and farm schools, which have given encouraging results. However, we will also give greater attention to programs of nonformal education, which the country's new situation needs in order to make the scope of educational endeavors broader and more effective; for example, daily care homes and educational programs at the community level. The purpose is to upgrade Venezuelans' quality of life through hygiene and preventive health care.

Regarding the field of health, we will step up efforts to reinforce primary medical care and preventative health. The care of pregnant women and infants will receive primary attention. We will promote breast feeding, early stimulation, and vaccinations. Our emphasis will be on the basic family unit, promoting a greater participation of the individuals in maintaining their own health.

It is worth noting that we are determined to make optimum use of expenditures in the field of health and education in seeking a better cost-benefit relationship, and by pointing out new priorities in the social sector. With this renewed and effective priority attention to the social sector during this new phase of my government, I intend to honor the principles of social democracy with which I characterized my promise for change to Venezuelans. The struggle which this new social policy and the change in Venezuelans' lifestyle impose is a difficult yet unavoidable challenge. It will only succeed and will have an impact in the future inasmuch as the entire country is involved in this task of historical dimensions.

Tonight, I cannot omit commenting on the national political situation. Economic hardship -- in our case, instead of hardships, the lack of luxuries and follies to which our past accustomed us to and which we unfortunately can no longer maintain -- is generating tensions.

People are appearing resembling the pied piper. They are making us believe that they have a magic power to lead the people to a state of almost hedonistic happiness by blowing away all our difficulties and replacing them with a mythical boom. Now, at the end of this address, I must clearly state that I rationally believe that this situation can be controlled. It is a matter of wanting to, and, obviously, we must and can do so. Venezuela is a country of extraordinary possibilities. In relative terms, if we compare ourselves with other countries from this continent as well as others, these possibilities can allow us to successfully overcome this test we are now facing. We have enough international assets, capacity for production, and, chiefly, young people with intellectual qualities and a desire to work. To be sure, we are still somewhat lacking in esprit de corps, and in the desire to put aside personalisms and reinforce our capacity of sacrifice to reach the necessary consensus.

From the government, we have very often felt that this is the fundamental reason keeping us from overcoming some difficulties. At any rate, in our roots as a people we have the example of exploits that crowned our nation's efforts. We must set out to once again adopt the pioneering behavior or to return to our beginning to update our entity.

The national government and I, in particular, are prepared to contribute with our share of amendments needed to [word indistinct]. Far from promoting changes, the conflict may slow them and dim hopes. This is the time for calm reflection, generous openings, understanding, and joint effort. The victory circumstances will produce is far from selfishness and prejudice. Each one of us must give the country the effort it is now asking of us.

The decisions I am announcing today combine policies for a new phase in our government actions. This phase is in part an act of sovereignty. It matches the government's action to private debts in terms of the recovery achieved and the radical changes in oil revenues. At the right time, it stresses the outlines of a social policy that will seek a balance while promoting employment and consumption and thereby confirming reactivation. This is coherent action to face challenges and to advance towards goals of excelling. These measures have been structured with loyalty to Venezuela. They seek the support and effort of all Venezuelan society so that the process may be duly fulfilled.

I repeat, it is not easy to implement this adjustment course. However, we have no valid or reliable alternatives. This has been carefully thought out. This is the path, the good path. Good night. [applause]

DE LA MADRID RECEIVES PAN DOCUMENT ON ELECTIONS

PA191459 Mexico City XEW Television Network in Spanish 1305 GMT 19 Jul 86

[Text] President Miguel de la Madrid received a group of deputies of the National Action Party [PAN] at the Los Pinos official residence yesterday. The deputies delivered a document in which they protest a number of alleged irregularities that affected Chihuahua's electoral process.

The president promised to analyze the PAN document in detail; he immediately asked the Government Secretariat to conduct meetings to discuss the charges made by the PAN.

De la Madrid said that although the executive branch is not entitled to analyze and judge the elections, he will review the document presented by the PAN deputies.

For their part, the PAN representatives, headed by Bernardo Batiz Vasquez, secretary general of the party's executive committee, admitted that the recent elections in Chihuahua can only be judged by the electoral authorities in that state. Nevertheless, they added that they wanted to inform the president of their viewpoints regarding the Chihuahua electoral process.

During the meeting, President De la Madrid urged Chihuahua residents to stay within the law and prevent any action that could disrupt public order.

Government Secretary Manuel Barlett Diaz was present at the meeting.

SEPULVEDA DISCUSSES CONTADORA, ELECTIONS, DEBT

PM181539 Madrid EL PAIS in Spanish 10 Jul 86 p 6

[Interview with Foreign Relations Secretary Bernardo Sepulveda Amor by Antonio Cano in Madrid; date not given]

[Excerpt] [passage omitted] Question: Can the Contadora endeavor be deemed ended?

Answer: So long as the situation that prompted the creation of Contadora continues, it seems to me that Contadora's raison d'etre will remain valid. Unfortunately, a crisis is being suffered in the area for which a peaceful solution must be found.

Question: But the Central American countries themselves no longer seemed very interested in Contadora.

Answer: I am not very sure about that. Without denying the obstacles involved in this endeavor, I have the impression that there is a need to have forums which will make possible political dialogue, and to this effect Contadora is a favored arbiter for negotiation.

Question: Do you believe that the treaty of peace and cooperation Contadora is proposing to the Central Americans will be signed some day?

Answer: We hope so, but I would like to mention something that is sometimes forgotten: The fundamental responsibility for finding a system of peace, cooperation,and democracy rests essentially with the Central Americans. That is, the Contadora Group confines itself to providing, with the cooperation of the Central Americans themselves, a legal edifice and a political system to enable them to attend to their differences, but it is the Central Americans themselves who in the final analysis must accept those responsibilities and duties, but also those rights.

Question: Do you find a willingness to accept those responsibilities on the Central Americans' part?

Answer: I hope they will realize that it is in their interest to have legal framework to govern their relations harmoniously.

Question: Who are Contadora's enemies?

Answer: Underdevelopment, the East-West confrontation, the conflict of interests and of national plans, and sometimes the lack of political resolve.

Question: Nicaragua has already twice declared itself prepared to sign various draft peace treaties. Do you believe that the Sandinist government is sincerely interested in Contadora's success?

Answer: I proceed from the principle that what a government says reflects an attitude that has to do with accepting political agreements. It is advantageous for everyone to take what each of the governments says on its merits and in a spirit of good faith. I would like the five Central American governments to act jointly in favor of the Contadora plan, which, in our opinion, remains the only existing peace plan, the only which has cogency and validity from the viewpoint of eight Latin American governments, which represent 90 percent of the Latin American populations.

Question: There are those who believe that the OAS and the United Nations itself could undertake the work now performed by Contadora.

Answer: Look: Exactly 10 days ago, we four Contadora foreign ministers were in New York, meeting with [UN] Secretary General Javier Perez de Cuellar, and in Washington, meeting with OAS Secretary General Joao Clemente Baena Soares, and they both stated that, from their political viewpoint, there is no alternative to Contadora.

Question: Do you believe that there is a danger of an exacerbation of the war in Nicaragua?

Answer: I would say so, because the major fear is that a conflict of this kind will not remain localized but will become a phenomenon resulting in a state of war throughout Central America.

Question: Does U.S. assistance to the contras contribute to this danger?

Answer: It certainly cannot be deemed a contribution to the Contadora peace process. We are making a peace proposal, and in this instance a contrary contribution is being made.

Question: Do you understand the reasons prompting the Nicaraguan Government to shut down the newspaper LA PRENSA or to expel Bishop Pablo Vega?

Answer: It is the outcome of that prewar state we observe in Central America, where decisions are inevitably influenced by military strategy and not by political tactics.

Question: Mexico has been criticized recently by various U.S. political sectors. Do you believe that this could influence its foreign policy?

Answer: We Mexicans take pride in having a particularly valuable political asset in an autonomous, independent, worthy, and estimable foreign policy, and this kind of recrimination leveled mainly by a minority section of the U.S. Senate, will certainly exert no adverse influence on this nature of Mexican foreign policy.

Question: How do you judge U.S. policy in Latin America?

Answer: We would like to restore a political dialogue between Latin America and the United States, which, in our opinion, would be more fruitful than the attitude of benign neglect to which Latin America has been subject. Roosevelt's "good neighbor" policy and Kennedy's Alliance for Progress are remembered with appreciation.

Question: To what extent does Mexico's domestic policy influence its foreign policy? That is, do you not believe that cases such as the recent elections in Chihuahua, concerning which suspicions of fraud have been expressed, discredit the Mexican Government and limit its international scope for maneuver?

Answer: I would say that of course I do not believe that this should exert an adverse influence, because I repeat that there is an element of autonomy in the case of Mexico's foreign policy. However, I would like to make some clarifications about the electoral process in Chihuahua and in other states of the republic. I would point out that it would be unfair and unwarranted to reproach the Mexican political system for that process being, from some people's viewpoint, a process with imperfections. I would like to emphasize that in last Sunday's electoral process there were 2,000 polling places, there were over 1 million Mexicans going to the polls to cast their votes, and there were nine political parties taking part in those elections, representing the most diverse political currents in Mexican society. If there were some incidents at some of those 2,000 polling places, this is attributable, in my opinion, to a manifestation of the fervor with which the democratic political game takes place in Mexico, but that does not, even remotely, mean that a phenomenon of electoral fairness did not occur overall.

Question: Do you find imperfections or limitations in the Mexican political system? What are they?

Answer: As is the case in Spain, Argentina, or Brazil, we are engaged in a modernization process. That is, we are involved in a project that means achieving greater degrees of excellence in our political institutions.

Question: What do you mean by this?

Answer: For over 55 years we have had a political system that was delicately constructed and has represented a stability unique not only in Latin America but also in other parts of the world. We have been able to find a balance in our political system which enables us to have a majority party that performs an important political task in what it does to satisfy a society's various needs. I would like to take an example -- the case of Japan, where there has been a party that has also had that ability and has been in power for a very long time. Prime Minister Nakasone was even able to broaden the party's base in the last election. In the case of Mexico, it is a fundamental political decision by the Mexicans to ensure that a government that has displayed ability to perform politically and economically continues to govern the Mexicans.

Question: What is Latin America's foremost problem at present?

Answer: In our opinion, the most important problem to be tackled in Latin America has to do with the economic issue. It is not the Central American issue that worries us most. Latin America is experiencing a process of crisis in its development that requires particularly careful attention, leading to the Latin American economies' recovery.

Question: What is Mexico's stance on the Latin American foreign debt?

Answer: In the first place, it must be said that, because of the fall in oil prices, Mexico has failed to receive approximately 8 billion dollars in 1986, and this means a reorganization of economic policy and the financial relationship with other countries. Mexico has repeatedly stated that it is firmly determined to fulfill its international financial commitments. It has also stated that fulfillment of its commitments is also connected with its ability to repay; that to repay it needs economic growth. Insofar as there is stability on the international oil markets, insofar as oil prices increase, Mexico's ability to repay must also increase.

Question: Is Mexico fulfilling its repayment commitments at present?

Answer: In full. There is punctual repayment of the debts.

Question: Both to international organizations and to private banks?

Answer: Yes.

Question: Is your country negotiating with the IMF?

Answer: We are negotiating with the IMF, the World Bank, and the IDB. We have pointed out the need to have new funds from outside, and those talks are fortunately proceeding very well.

Question: Do you believe that the IMF is creating the right conditions for the economies' improvement?

Answer: I would point out that there is an important change in the IMF's philosophy, which is due to the persistence of a prolonged economic crisis. That crisis has led the IMF to reconsider the useful role it should perform, not to institute extreme austerity policies that cause a contraction of countries' capacity for growth; on the contrary, it is beginning to be accepted by the least dogmatic people in the IMF that it is essential to undertake a major effort to ensure that those economies regain the path of growth and can become strong economies again. The experience of the economic crisis in Latin America shows that the traditional remedies of an economic theory which was valid in other times is no longer applicable nowadays.

Question: Are you in favor of concerted action by debtor and creditor countries?

Answer: From our viewpoint, there is a joint responsibility of debtors and creditors, a responsibility and duty of them both to find a satisfactory solution to a crisis which has widespread repercussions on industrialized and developing countries.

FOREIGN SECRETARY SEPULVEDA VISITS NETHERLANDS

For NOTIMEX reportage on the visit to the Netherlands by Foreign Relations Secretary Bernardo Sepulveda Amor, including his meetings with Netherlands Prime Minister Ruud Lubbers and Foreign Minister Hans van den Broek, see the Benelux section of the 17 July Western Europe DAILY REPORT.

BELIZE

ESQUIVEL RETURNS FROM GUYANA, ISRAEL, UK

FL181509 Belize City Domestic Service in English 13100 GMT 18 Jul 86

[Excerpt] The prime minister, the Right Honorable Manuel Esquivel, yesterday afternoon returned to Belize after visits to Guyana, Israel, and London. In Guyana the prime minister attended the Caricom heads of government meeting. Prior to his visit to Guyana he was in Port-of-Spain, Trinidad, where he attended a meeting of Caricom finance ministers. From Guyana the prime minister traveled to Israel, where he met president Shimon Perez [title as heard] and held discussions on closer economic and technical cooperation between Belize and Israel. [passage omitted]

EL SALVADOR

DUARTE REJECTS DEBATE PROPOSED BY REBELS

PA191439 San Salvador Canal Doce Television in Spanish 1900 GMT 18 Jul 86

[Text] The president of the Republic said today that the government will not participate in the public forum proposed by the FMLN. In an exclusive and lengthy interview granted to our newscast -- which we will air tonight and in coming days -- the president referred to Joaquin Villalobos as a warmonger who does not understand democratic process. He said that the government will not participate in the televised forum proposed by the FMLN because it is an invitation to a confrontation. He also said that Villalobos, the top leader of the FMLN-FDR, is a warmonger (?and described Hugo Carrillo) as a deputy who does not yet want to define his political ideology.

[Begin recording] [Reporter] Is the government planning to participate in the forum proposed by the FMLN, and if so, would this not upset the preparations for the third dialogue? Do you already have a date and place for this dialogue?

[Duarte] You are asking three questions in one, so we will try to answer them separately. First, the FMLN proposed a debate, and the meaning of debate is confrontation. It means that each side will explain its view to try to impose them so that the people, the audience, can listen to them. As I said, there is a reason for this. It is propaganda. This shows that we are speaking a different language. They are speaking the language of propaganda [words indistinct] the language of the struggle of peace. A dialogue for peace has been mentioned. A dialogue to seek a way to avoid all this war, hatred, and rancor has been mentioned. [Words indistinct] increases this hatred, the confrontation, and the rancor. [Words indistinct] in which two sectors confront one another publicly, and the result of this is obvious: the explanation of controversial views. This is not the path to peace.

[Reporter] In your speech in Morazan you issued a separate call to Joaquin Villalobos and Shafik Handal. How do you view them?

[Duarte] One must recall history. One must recall that Villalobos [words indistinct]. One must recall the murder of [name indistinct]. One must recall all these things which show Villalobos' warmongering. One must also recall that Handal lived under and tried to participate in democratic process. Unfortunately, the (?gentlemen) of that era did not understand that the position of the Communist Party back then was that it did not want to join the guerrillas.

One must recall all the years, the almost 10 years of polemics between the Communist Party of yesterday, the Communist Party of (?these rebels), and the Communist Party of the Peoples Revolutionary Bloc. They were lengthy and great polemics reported in the university's newspapers and magazines, precisely establishing the difference between the revolutionary and violent war and the achievement of the struggle through peaceful coexistence; in other words, the idea of a revolution through peaceful coexistence and the victory of the people to have their demands met. This was the theory proposed by the [words indistinct] Communist Party of Handal, and in the end he was practically forced to join the guerrillas.

Therefore, there is a historic difference between the [name indistinct], the FPL [Peoples' Liberation Forces], and the Communist Party. It is this theory [words indistinct] together in the 1972 elections and that we had clearly understood the position that the country needed to take the path of social reforms and achievement, but without going beyond the limits of the democratic process; on the contrary, by strengthening this process. [end recording]

Duarte added that a commission on honesty was created and is investigating corruption cases. If charges are proven, officials will be dismissed regardless of who they are or what post they hold.

Spokesman on Debate

PA191408 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 18 Jul 86

[Excerpts] Roberto Edmundo Viera, deputy minister for culture and communications, as the only spokesman appointed by Napoleon Duarte, has continued to report to the news media about the third dialogue. In a press conference he said that no definite date has been set for this dialogue. He also said that it is impossible for the guerrillas to ask something and not accept President Duarte's proposal. Here is part of his press conference.

[Begin recording] The government and the Armed Forces have political and military powers, and the guerrillas have political and military powers. This is why we will sit down and hold a dialogue, they said. [passage omitted]

While the government wants to improve the economic structure, they want to destroy the economic strucuture and halt economic development. There is a debate in both the economic and political areas. We made a political proposal. We called for elections by the people. The people cast their votes and elected their government. Yet the rebels opposed the elections, and the government was elected. They oppose legal order. There is a political debate going on, and the people have assumed a definite stance, the people support the democratic process. So there is a debate, a discussion, a quarrel, a permanent feud with the FMLN. Let them not say there is finally, now, a national debate. The debate has been going on for a long time.

Dialogue is an entirely different thing. Dialogue is a mechanism for reaching positions through reason. Not so in debate, wherein each tries to outshine the other in force or power. He who succeeds in convincing the other wins the debate and the discussion. Not so in dialogue. Dialogue is a bet, the reaching of an agreement on specific points to find solutions for the country. This is a basic difference between a debate and a dialogue.

The democratic political organizations and the ruling party have never shunned public debate. We do not usually shun debate. But we will not lend ourselves to the staging of a political show. What the guerrillas want is to come here, put their people on the streets, have the UNTS [National Union of Salvadoran Workers] demonstrate, etc. If you would like to have a look at the UNTS statement -- I think it will be released today, or perhaps it was yesterday -- in two pages, you will see that all the demands are presented to the government, yet no demands have been presented to the FMLN.

The UNTS does not say in this statement: Gentlemen, stop destroying the economic structure; lay down your weapons; abide by the Constitution. No, not all. The demands are presented to a single sector, a single side. So they want to mount this political show and see if they can align the social organizations a little more closely with the FMLN demands. This is their strategy. They are not interested so much in the dialogue between the two power sectors which they demanded at the beginning as they are in trying to align the social and political forces a little more closely with their proposal. Nevertheless, they have already abandoned their question of the two powers. This is their current stance, generally speaking.

In principle, the government cannot accept their proposal as it has been presented, because this would amount to playing into the political show that they want to mount. [end recording]

Fronts Reiterate Proposal

PA210310 (Clandestine) Radio Venceremos in Spanish to El Salvador 0034 GMT 21 Jul 86

[Communique issued by the FDR Executive Committee and the FMLN General Command, dated 20 July in El Salvador]

[Text] The FMLN-FDR reiterate their willingness to contribute to creating the conditions to guarantee a favorable framework for the third session of the dialogue and for the search for peace. War is based on ideas and programs. A debate before the nation would enable the parties in conflict to divulge the ideas and reasons behind their actions.

On several occasions Napoleon Duarte has insisted that the FMLN-FDR are wrong. This debate offers Duarte the opportunity to prove this and to convince our fighters and the people in general that his ideas are the right ones. Would it not be a great contribution to peace to achieve a consensus of national opinion regarding the ideas of one of the parties?

We are absolutely sure that more than 90 percent of all Salvadorans are awaiting and are in favor of the debate we have proposed. The majority of the Salvadoran people want to see and hear, with arguments and reasoning, which is the warmongering program: the Christian Democratic Party's program, supported by the U.S. dollar and weapons, or the FMLN-FDR program, which rests on popular support. It should be proven in a debate.

Is there democracy in El Salvador? Who follows a peace policy? The FMLN-FDR is proposing a response to a popular need, not a debate to show off, as Duarte has said. What the people are demanding is a debate of ideas and reasons. The argument that this debate would violate the Constitution is unfounded. We believe that the search for peace is above the Constitution. In addition, our reiterated position on the subject of the Constitution is one of the topics we should discuss and uphold before the people in the televised debate we are proposing.

Were the La Palma and Ayagualo meetings constitutional? Duarte himself proposed the debate in San Francisco Gotera. He said that he wanted to talk to us face to face to convince us that we are wrong. A debate before the nation gives him that opportunity. Both the government and the High Command have said that we are deceiving our fighters. We tell them that the soldiers are the ones who are deceived and forced to fight. Will they refuse to comply with their duty of defending their ideas? Will they avoid the battle of ideas and reasons? Wouldn't the majority of the Salvadoran people prefer to see us confronting each other with ideas instead of bullets?

We have made a specific and realistic proposal of a debate before the nation. The debate would be broadcast on a radio and television network. We propose a delegation of four government representatives and four other representatives from our fronts. We propose that the government delegation be presided over by President Napoleon Duarte, Culture and Communications Minister Adolfo Rey Prendes, General Eugenio Vides Casanova, defense and security minister, and General Onecifero Blandon, chairman of the Armed Forces joint chiefs of staff. The FDR would be represented by Guillermo Ungo and Ruben Zamora and the FMLN General Command by Commanders Shafik Jorge Handal and Joaquin Villalobos.

In order to decide the operational aspects and coordinate the transmissions on radio and television and the method to be used in the debate, we propose the appointment of a coordinating commission that would include two government representatives and two from our fronts. A meeting would be held as soon as possible to lay the groundwork for the debate.

We will be waiting for an official reply from Napoleon Duarte, who as president and commander in chief of the Armed Forces has in his hands the option of deciding whether to agree to debate ideas or to disappoint the nation, which is waiting with great interest for this opportunity to clear up doubts, develop ideas, and further mature its political position regarding the conflict, which would undoubtedly contribute to the search for peace.

[Signed] FDR Executive Committee
FMLN General Command
El Salvador, 20 July 1986

GEN BLANDON COMMENTS ON EXPELLED AMERICANS

PA182304 San Salvador Domestic Service in Spanish 1800 GMT 18 Jul 86

[Text] General Adolfo Oneciforo Blandon, Chairman of the Joint Chiefs of Staff, Salvadoran Armed Forces, held a press conference this morning during which he referred to the foreigners expelled from the country. The government feels they violated immigration regulations and, particularly, endangered the lives of approximately 300 people who wanted to return to their places of origin, from where they had been relocated as the result of the country's conflict.

Gen Blandon offered apologies to the journalists for the Army's not permitting them access to Aguacayo, Suchitoto jurisdiction, after they had been called for a press conference.

[Begin recording] [Blandon] [Words indistinct] yesterday on the highway between San Martin and Suchitoto when the journalists honored my invitation for a press conference in Aguacayo. The journalists were to meet the 369 people that a group of Americans had taken with them -- without any authorization whatsoever -- to repopulate the area. This is what I refered to in the first place. Then I told you about what happened when I rallied the people of Aguacayo. I told them we did not object to their repopulating the area, because repopulation is part of a national plan. Nevertheless, we want an orderly, responsible repopulation. We cannot permit any people to leave a place and settle on someone else's land because these people will have serious problems later when the owners show up.

The situation was really serious, because people from the country's east and west, specifically from Santa Ana, La Libertad, and Usulutan Departments, who have no link to the Guazapa area, were among those in the group. These people did not even know why they had been taken there. They, however, were very understanding and receptive. The solution that we found was for the cooperative members from El Barillo to return to this site, repopulate it, and begin to cultivate the land. Perhaps they will be able to receive other peoples from the area who were also cooperative members. We were not adamant but flexible, and we permitted people from other cantons, such as El Libano, El Zapotal, and Palo Grande, to return to their places of origin. We told them they could return if they wanted to. We wanted only to control the situation, identify them, and determine their source of living for the future and how many children they have. This information is important for their own safety.

I also told them security is relative, because the terrorists have planted mines everywhere and that they should be very careful when they made up their minds to return to their homes.

[Unidentified reporter] General, will this control by the Army prevent guerrillas from infiltrating the area?

[Blandon] In part. We want to make sure that if anyone returns to his place of origin, he will return to stay for a long time, rather than for only some weeks or months. We must make sure these people will lead normal lives, so that they cannot be pressured by either side and can resume their work and make the country progress. As I told you at the start, this is part of the national plan. [end recording]

In the past few days the Salvadoran Government expelled 24 foreign citizens, including Americans, Canadians, and Australians, because, according to the authorities, they had exposed to danger a number of people relocated from zones in conflict. These people wanted to repopulate the Aguacayo area, Suchitoto jurisdiction. This canton is virtually the city's granary. The government said that the Americans were first detained in Suchitoto, then taken to the Treasury Police headquarters. Later they were taken to the Guatemalan border, accompanied by U.S. Embassy representatives. Thus, the expulsion was completed. Later, Gen Blandon was asked about this.

[Begin recording] [Reporter] General, the expulsion of the Americans will elicit negative criticism of El Salvador from abroad.

[Blandon] Foreigners' meddling in any country's national affairs would elicit criticism anywhere in the world. They violated our Constitution and bylaws, which must be respected.

[Reporter] What about the aspiration and even the right of these relocated people to return to their places of origin?

[Blandon] They are entitled. We are in the process of making this right a reality. They left their places of origin because of the conflict. We are making every effort so that they can return, but, as I have said, in a normal and orderly way.

[Reporter] What was the U.S. Embassy's reaction to the expulsion of these Americans?

[Blandon] I have not heard of any reaction from the U.S. Embassy. I can only tell you that the embassy responded positively by cooperating so that the Americans expelled could leave the country without incident. The U.S. Embassy sent two delegates to Suchitoto to witness the treatment accorded these Americans, both in Suchitoto and at the Treasury Police headquarters. [end recording]

GUATEMALA

CEREZO FAVORS 'CHANGE' IN NICARAGUAN REGIME

PA192200 Panama City ACAN in Spanish 2005 GMT 19 Jul 86

[Text] Guatemala City, 16 Jul [date as received] (ACAN-EFE) -- President Vinicio Cerezo does not like the Nicaraguan regime and favors a "change." Last night Cerezo participated in a televised debate with a group of newsmen organized by the Guatemalan Businessmen's Council.

"I do not like the current Nicaraguan regime," the president said on the eve of the seventh anniversary of the Sandinist revolutionary triumph. The president of Guatemala, a country which defends an "active neutrality" in the Central American conflict, came out "in favor of a change" in Nicaragua, although he explained that "it must be at a democratic level and not through violence."

Asked about the role of the United States in the regional conflict and the aid to the contras, Vinicio Cerezo said without giving details: "Guatemala maintains an attitude of prudence and neutrality, but an empire (imperio) must accept its responsibilities."

"Our position does not run counter to the framework of the Contadora Group or the idea of creating the Central American parliament to seek a solution to the regional political and economic conflict," the president added.

QUINONEZ CONDEMNS SALVADORAN EXPULSION

PA190434 Panama City ACAN in Spanish 2200 GMT Jul 86

[Text] Guatemala City, 18 Jul (ACAN-EFE) -- Foreign Minister Mario Quinonez Amezquita today condemned the expulsion from EL Salvador of 23 foreign clergymen [as received] who had been held for 2 days. "Although we still do not have information on the reasons for expelling the U.S. clergymen, it is a deplorable action," Quinonez Amezquita said

The foreigners, 19 U.S. citizens, 2 Canadian citizens, and 2 Australian citizens, were arrested on Tuesday when they were accompanying 600 peasants who were seeking to resettle. The foreigners were deported to Guatemala yesterday.

Quinonez said: "We know they held them someplace in El Salvador and expelled them to this country. However, I think that if they arrived here it is because they had Guatemalan entry visas. Otherwise, we would not have let them enter." He added: "Any persecution of the Catholic Church because of its humanitarian and pastoral mission is unwelcome." "We believe persecution of the church is unacceptable, no matter where it comes from," the Guatemalan foreign minister said.

HONDURAS

LOPEZ ON CONTADORA PROSPECTS, C.A. MEETING

PA182245 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 17 Jul 86

[Interview with Foreign Minister Carlos Lopez Contreras by unidentified reporter in Tegucigalpa on 17 July -- recorded]

[Text] [Lopez] The Costa Rican foreign minister has said essentially that we exchanged views to identify the opinions that may help us in the search for a mechanism to hold a political negotiation and thus avoid conflicts among states, given the current situation in Central America. Personally, I do not believe there is any explosive situation among our states; however, some of the states do have internal problems.

We are doing this given the position assumed by the Contadora Group, which stated during its last meeting, in Panama City on 6 June, that their proposals concerning substantial topics are included in the document and added that this exhausted their capacity for diplomatic negotiations. This does not mean that the group cannot renew the initiative, but since we are responsible for our countries' positions, we cannot forget the Central American situation. Consequently, we are trying to find a consensus for renewing the diplomatic initiative. This effort may be exerted by three of us right now, by four of us tomorrow, and eventually by the five of us.

[Reporter] Mr Foreign Minister, it was reported yesterday that two Nicaraguan citizens... [corrects himself] rebels had sought asylum at the Honduran Embassy in Managua. Can you confirm this report?

[Lopez] Yes, I received some information about this, but not much. I spent little time at the Foreign Ministry yesterday because I met with two foreign delegations which visited the country, and I have been with the foreign ministers today. However, I did receive some information 2 days ago, or over the weekend. I was told that two Nicaraguan citizens had sought asylum at our embassy in Nicaragua. That is all I can tell you.

[Reporter] What is the government going to do [words indistinct] this case?

[Lopez] Look, we have instructed our ambassador there... [corrects himself] our charge d'affaires there -- because our ambassador has not arrived yet in Managua -- to give them the guest status while we decide their legal status.

EPS REPORTEDLY SHELLS 4 BORDER VILLAGES

PA190425 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 17 Jul 86

[Text] Yesterday Sandinists shelled four villages in El Paraiso, which is located along the border with Nicaragua. The Sandinists aimed their mortar launchers at the other side of the border. The dormant fears of Arenales, Amparo, Espanol Grande, and La Esperanza residents were awakened yesterday between 1030 to 1100 as several mortars were launched from the other side of the Honduran-Nicaraguan border.

We repeat: The residents of the villages of Arenales, Amparo, Espanol Grande, and La Esperanza were awakened yesterday between 1030 and 1100 when several mortars were launched from the other side of the border between Honduras and Nicaragua. The area residents refer to these bombs as fireworks because of their characteristic explosive sound. As of last night no personal injuries had been reported. However, the powerful mortars caused partial damage to the properties of farmers in Arenales, Amparo, Espanol Grande, and La Esperanza, which the EPS soldiers shelled yesterday.

SOLDIER KILLED BY SALVADORAN REBEL MINE

PA181641 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 18 Jul 86

[Excerpt] A soldier of the 12th Infantry Battalion was killed and another wounded yesterday when they stepped on a homemade mine placed by Salvadoran guerrillas in Los Pinos, La Virtud, in Lempira Department. According to Colonel Jose Vanegas Medina, commander of the 12th Infantry Battalion headquartered in Santa Rosa de Copan, Santos Ovidio Cuellar, a member of this battalion, died yesterday morning. Meanwhile, 1st Sergeant Edgardo Chacon Ramirez, a member of the Special Forces with headquarters in La Venta, Francisco Morazan Department, was wounded when the mine exploded.

According to Vanegas Medina, the Special Forces were patrolling the country's western border region when the incident occurred. [passage omitted]

STUDENTS PROTEST OUTSIDE NICARAGUAN EMBASSY

PA191556 Panama City ACAN in Spanish 1544 GMT 19 Jul 86

[Text] Tegucigalpa, 19 Jul (ACAN-EFE) -- About 5,000 secondary school students staged an anti-Sandinist demonstration today in front of the Nicaraguan Embassy in Tegucigalpa. The FSLN flag and an effigy of Nicaraguan President Daniel Ortega were burned in front of the embassy. The demonstration takes place on the day Nicaragua is commemorating the seventh anniversary of the Sandinist victory.

The presence of the police near the embassy prevented some unidentified individuals riding in a vehicle from shooting at the demonstrators. Although they were pursued, the individuals managed to escape. The demonstrators shouted slogans such as "Communist trash, get out of Honduras," "Sandinist embassy, terrorist center."

Throughout the 30-minute assembly, the speakers criticized the Managua government for suppressing public freedom and the Catholic Church. All the events were filmed by the security staff of the Nicaraguan Embassy in Tegucigalpa.

NICARAGUA

NATION MARKS SANDINIST REVOLUTION ANNIVERSARY

Foreign Delegations Noted

PA180339 Managua Radio Sandino in Spanish 1200 GMT 17 Jul 86

[Text] A total of 86 delegations from friendly international organizations and governments will attend the main rally to celebrate the seventh anniversary of the victory of the Sandinist people's revolution, Commander Carlos Nunez Tellez announced yesterday in Esteli, when he was visiting the Rufo Marin Plaza and stadium in that city. The president of the National Assembly said that everything is ready for the seventh anniversary celebration and that very strict security measures will be enforced during the ceremonies to prevent the infiltration by mercenaries. The delegations attending the victory celebrations are from Western Europe, Latin America, and the Caribbean, as well as members of the OAS and of the ECC, Commander Nunez said. He also said that on 19 July in Esteli President Daniel Ortega will decorate workers and vanguard enterprises of the country with the Jose Benito Escobar Award.

The workers to receive the Jose Benito Escobar Award are: Julian Salina Cruz, vanguard at the national level in the field of tobacco 1985-86, and Arturo Gutierrez. vanguard in the field of coffee in Region 1. The vanguard enterprises to be given this decoration are: the Laureano Mairena Enterprise, the Gaspar Garcia Laviana Enterprise, and the Heroes and Martyrs of the (Posodera) Brigade of the (Dinampi) project in San Pedro del Norte.

[Begin Nunez recording] There will be delegations from Canada, South America -- Panama, Mexico, Colombia, Venezuela, Argentina, Brazil, and Uruguay -- from the Caribbean there will be delegations from Suriname, Guyana, and Jamaica; from Western Europe there will be delegations from Great Britain, France, Sweden, Norway, Finland, Greece, Switzerland, Belgium, the Low Countries, and Spain; from the socialist countries there will be delegations from the USSR, Czechoslovakia, Vietnam, Hungary, GDR, Romania, Korea, Albania, Cambodia, Laos, Mongolia, and Bulgaria; and from Africa and Asia there will be delegations from Yemen, Ghana, Algeria, Turkey, Pakistan, and the Saharawi Arab Republic, the People's Democratic Republic of Yemen, the Islamic Republic of Iran, Australia, Cape Verde, Mozambique, Libya, Tanzania, and the Congo. The following international organizations will send delegations: the OAS and the EEC.

Among the dignitaries attending the 19 July celebrations we point out the participation of: Dr Mohamed Shahabuddeen, vice president, first deputy prime minister, and attorney general of Guyana; Miroslav Toman, vice president and minister of agriculture and food of Czechoslovakia; Companero Shamshin, minister of communications of the USSR; Kam'al Hasan Mansur, secretary of the Central Committee of the People's Bureau for Foreign Liaison of Libya; Companero Kim Yong-Chae, communications minister of the DPRK, member of the Central Committee, and vice president of the Korean-Soviet Friendship Institute; Companero Maisouk Saisompheng, member of the Central Committee and minister of industry, handicrafts, and forestry of the Lao People's Democratic Republic; Companero Kurt Seibt, chairman of the central commission of the [words indistinct] and chairman of Committee of Solidarity with the Peoples and secretary of the Central Committee of the words indistinct] of the GDR; Companera Elena Lagadinova, member of the state council and of the Central Committee of the Bulgarian Communist Party and chairman of the Bulgarian Women's committee;

Senator Salvador Rene Castillo, secretary of the Mexican Senate's Grand Commission; Companero (Harry Benaval), chief of the cabinet and presidential adviser, [country not specified]; [name not specified] secretary general of (?OAU); Companero (?Karolos Papoulias), chief of the cabinet and foreign affairs of Greece; Companero [name indistinct], vice minister of agriculture from Mongolia; Companero (Muhammad 'Ali Ahmad) foreign minister [title as heard] of the People's Democratic Republic of Yemen; and Companero (Anton Chirini) from the EEC. [end recording]

Security Precautions Imposed

PA191555 Panama City ACAN in Spanish 1505 GMT 19 Jul 86

[Excerpts] Esteli (Nicaragua), 19 Jul (ACAN-EFE) -- Esteli, in northern Nicaragua, was under complete military control early today to prevent any rebel attack during the celebration of the seventh anniversary of the Sandinist victory. A visible military presence was observed throughout this city, 150 km from the capital, hours before the start of the Sandinist celebration, slated for 1000. Eight tanks were parked at the entrance to the city, while special military deployment was evident in the downtown sector, with checkpoints at every intersection of the urban zone.

The Sandinists built a stadium in the southern sector of the city to commemorate this holiday. The Army set up four tents near the stadium early today. Very strict military vigilance is being carried out by young soldiers on the Sebaco-Esteli road. The two bridges on this route are heavily guarded by Sandinist troops. In addition, several military contingents are combing the area surrounding Esteli in a search for rebels.

Three military helicopters are continuously flying over the city of 40,000 inhabitants, as well as its outskirts and nearby mountains. A Sandinist officer told ACAN-EFE: "Everything is under control."

Young soldiers and security agents in plainclothes are watching over the city's plaza, as well as its streets and eight restaurants. At the entrance to these restaurants, the security agents are carefully checking people's documents, especially those of foreigners. One agent said: "We are doing this for security reasons, to prevent any terrorist act." [passage omitted]

A Sandinist officer told ACAN-EFE that the military control of Esteli makes any surprise attack by the contras "impossible," regardless of its origin. Carlos Manuel Morales, minister-delegate of the Presidency in this city said: "The counterrevolution cannot attack this city to hamper the seventh anniversary celebrations." [passage omitted]

Ortega Speech

PA192230 Managua Domestic Service in Spanish 1754 GMT 19 Jul 86

["Message of the FSLN National Directorate and the government to the people of this victorious Nicaragua" delivered by Daniel Ortega Saavedra' president of the republic and commander of the revolution, in Esteli on 19 July -- live or recorded]

[Text] On this occasion we must first greet those who have come a long way, those who have come from other countries to speak, to ratify their solidarity with the Nicaraguan people. [applause]

We are commemorating the seventh anniversary of the victory of the revolution in Esteli -- Esteli as a point of reference of Region 1, as a point of reference for all of Nicaragua on this seventh anniversary. It is easy to understand why we decided to celebrate this anniversary here in Esteli. It represents the moral recognition of the residents of Region 1, the residents of Las Segovias, the residents of Madriz, the residents of Esteli, who were not only outstanding in the struggle against the Somoza dictatorship, but who have also shown great determination, tenacity, and heroism in defending the Sandinist people's revolution during these 7 years that we have been the target of daily attacks by the U.S. leaders.

Here in Esteli we are a few kilometers from the Honduran border. We are 35 km from the Honduran border. To say that we are 35 km from the Honduran border is to recall that in that border area are the camps of the U.S. mercenary forces. The mercenary attacks on the Nicaraguan people have come from these camps. Those camps have been stealing territory from the Honduran people, following orders of the U.S. Government. The mercenary forces have settled in those camps to rob, attack, and murder the Hondurans who live in the area. From those camps, hundreds of criminal attacks against the Nicaraguan people have been launched. From those camps, the mercenary forces have come to destroy the agricultural warehouses in this Region 1. Three agricultural warehouses have been destroyed by these mercenary forces in Region 1.

The mercenary forces have come from there to destroy bridges. Six bridges have been destroyed by the mercenary forces in this region. They have also destroyed seven schools. They have destroyed two health centers. They have also destroyed 47 tobacco (?drying) houses. They have caused damage worth over 500 million cordobas in the tobacco (?drying) houses alone. They have affected production in 248,000 manzanas of this area. They have kidnapped over 500 peasants. They have destroyed cooperatives and murdered thousands of residents. How have the people of Region 1 -- the people of this region -- replied to these terrorist actions, these aggressive actions that are being launched from the mercenary forces' camps that the U.S. maintains in Honduras?

We have one example in the (?Kibutz) cooperative located in the San Juan del Rio Coco municipality, which was attacked and destroyed by the mercenary forces in 1984. The cooperative was rebuilt and was again attacked in 1986. The mercenary forces destroyed 19 houses. They destroyed a children's dining hall. They destroyed vehicles. However, the mercenary forces were unable to occupy the cooperative, because they were confronted with the firm resistance of the residents of that cooperative, the workers of that cooperative. In spite of the attacks, in spite of the fact that this cooperative is in the border area, it continues producing, it continues rebuilding what the counterrevolutionaries have destroyed. The cooperative continues building what the counterrevolutionaries have tried to bury forever.

In the same manner, we can continue mentioning dozens of cooperatives, dozens of towns like (Flor de Cacinete) and Jalapa, which are symbols of heroism, of resistance of the people of Region 1. To resist imperialist aggression here in Region 1, in an area along the Honduran border where the mercenary camps are located, naturally demands great firmness and great determination, and that is the firmness and determination that the people of Region 1 have always had.

They were outstanding in the struggle against Yankee intervention when Sandino fought and defeated the intervention. The Sandinist fighers of those days came from this region; generals from Sandino's general staff came from this region; Sandino's army of barefoot peasants came from this region, and they defeated intervention in Nicaragua. [applause]

This spirit is the same fighting spirit of the entire Region 1 in the struggle against Somoza's dictatorship. The battles against the Somoza dictatorship that occurred throughout this region are very well known, from the very beginning of that silent battle when the Sandinist Front was being organized in Esteli, in San Juan de Telpaneca, in Ocotal, up to the insurrections that incorporated all of the people and made this victorious Esteli three times heroic. [applause]

We are discussing the heroism of Region 1, which is a symbol of the heroism of all Nicaragua, all the peasants, laborers, youths, workers, patriotic producers: all Nicaragua. And we are discussing the aggression. We would like to talk about aggression in the past tense and devote this meeting to the discussion of production, education, and health. However, the aggression is a fact. It has not ceased. There is the threat that it will get worse. We are commemorating this seventh anniversary amidst the aggression, which has already claimed 31,290 victims throughout the country. All Nicaraguans who suffer the effects of the aggression as they justly defend their country are victims, just as those Nicaraguans who are used as mercenary forces to murder thier own people are victims. The 31,290 victims of the aggression include 16,925 Nicaraguans who became involved in the mercenary forces and fell under the fire of the Sandinist fighters, and 14,260 true Nicaraguans who became victims of the mercenary aggression as they defended sovereignty and self-determination. The total number of victims sustained by the Nicaraguan people includes 879 children under 12, 879 children under 12 [repeats himself] who are victims of the U.S. Government's aggressive policy.

We asked before: What is the outlook of the aggression? The outlook is more aggression, not because we want it that way, but because the U.S. Government is intent on continuing the war, continuing the aggression against the Nicaraguan people. Over the past several days, when $100 million was approved for the mercenary forces, when approval was received to send arms to the mercenary forces, when approval was received to send military advisers to the mercenary forces, the U.S. Government has put forward a plan to destroy the Nicaraguan revolution. It intends to do the following, and this was announced by U.S. Government spokesmen: In this new phase, when we -- they say -- are turning over to the mercenary forces $100 million, arms heavy armament, all kinds of weapons, when we are sending U.S. military advisers, what objectives must we pursue? The U.S. Government's strategists of death ask:

1. Substantial escalation of military actions throughout Nicaragua, possibly including attacks in the capital. They intend to escalate military actions everywhere, including Managua.

2. More disciplined combat with fewer civilian victims and human rights violations by the contras. With this point the U.S. Government is admitting that the contras violate human rights. (?All of this) has been one big example of a human rights violation. However, the U.S. Government naturally denies this, because in being the contras' sponsor it is the principal violater of human rights.

3. It [the U.S. Government] plans to expand the so-called insurgent forces and to invigorate the internal opposition of the [word indistinct] to invigorate the internal opposition of the [word indistinct].

4. Fissures in the Sandinist leadeship. It believes it can cause divisions within the FSLN.

And finally, through a number of actions, they expect to contain to a certain extent the help from the Soviet bloc to Nicaragua, to limit, reduce that held from the so-called Soviet bloc.

Who is masterminding these criminal actions? Mr Elliot Abrams will be in charge of the aid program; and Colonel William (Sickon), Jr, and Mr (Oliver Naught), of the National Security Council, in conjunction with the Pentagon will turn over those matters pertaining to the technical aspects of the covert actions in Nicaragua to intelligence director (Vincent Canestrabo), who has been called a technocrat loyal to the CIA.

This is the U.S. Government's proposal. This is the peace proposal from the U.S. leaders for Nicaragua, for Central America, and for the world, so that the mercenary forces can continue killing teachers, doctors, nurses, students, experts, workers, and peasants in Nicaragua. The mercenary forces have killed 103 teachers, have wounded 13, and have kidnapped 30: a total of 146 victims; 5 doctors have been killed by the mercenary forces, 5 wounded, and 4 kidnapped: a total of 14 victims; 3 nurses have been killed, 4 wounded, and 6 kidnapped: a total of 13 nurses who have been victims of the U.S. Government's terrorist actions; 293 students have been killed, 9 wounded, and 24 kidnapped: a total of 326 student victims; 103 experts killed, 37 wounded, 47 kidnapped: a total of 184 experts who have become victims of the U.S. Government's terrorist actions; 194 workers killed, 63 wounded, 149 kidnapped: a total of 406 workers who, because they were working in the war zones, in communications, building roads, in agricultural activities, have become victims of the U.S. Government's terrorist actions; 21 professionals killed, 14 wounded, and 6 kidnapped: a total of 41 professionals who became victims of mercenary attacks; 420 peasants killed, 143 wounded, and 397 kidnapped: a total of 961 [figure as heard] victims among peasants who were working the land, planting, and harvested; 4 leaders of mass organizations have been killed, 7 wounded, and 2 kidnapped: a total of 13 companeros; 40 drivers have been killed, 15 wounded, 15 kidnapped: a total of 70 companero drivers who have been victims of terrorist attacks; 29 FSLN members and militants killed, 9 wounded, 8 kidnapped: a total of 46 victims. We could continue giving you a long list of Nicaraguans who have become victims of these terrorist actions. A total of 2,270 houses, 565 buildings, 58 schools, 11 child development centers, 291 transportation means, trucks, and other vehicles, 2 health centers, and 29 health posts have been destroyed. We could also continue giving you a long list of people's property that has suffered the effects of the imperialist attacks.

This is why we were saying that we cannot stop talking about the aggression. These are the results so far. However, Reagan wants to increase the number of victims in Nicaragua, hence his terrorist warmongering plans to increase the number of victims in Nicaragua. What should we Nicaraguans do under these circumstances? Should we remain silent and not protest? Should we remain silent in order to annoy President Reagan? [crowd answers: No]

At times some of our friends have recommended that in face of Reagan's unjust, arbitrary, and criminal actions we should remain silent or reply in a different way. In other words, they want [word indistinct]. They do not want us to protest, not even the U.S. Government's arbitrary and barbaric actions against Nicaragua. We cannot remain silent, and therefore we went to the International Court of Justice [ICJ]. We went to the ICJ to present Nicaragua's case. We acted correctly. We act, we have acted, and we will continue to act in accordance with the law. In any society, in any country when there is a dispute, problems, or conflict, if two neighbors cannot reach an agreement and have problems, if a neighbor feels he has been attacked by another neighbor who has stolen something from him or who has committed a specific crime against him, what can be done? In such cases the law is consulted. Judges are consulted, so that they can decide on the case.

And this is what we have done, because there are international tribunals for debates, for discussion of this kind of problem between nations. We went to see the judge, we went to the ICJ. And what did the U.S. Government do? Did it go to the judge? Did it accept the law? What the U.S. Government did was to ignore the law. It did not go to the judge, it acted as a criminal, who does not accept justice and does what pleases him, in violation of the laws.

The ICJ ruling was announced on 27 June. It is a very clear ruling. Who is guilty? Who is guilty? [crowd shouts: "Reagan!"] Who is guilty? [crowd shouts: "Reagan!"] We say this here, and it was also said by the ICJ, and the world, and the U.S. people have admitted this. However, Reagan has not admitted this, because Reagan is acting like a criminal. If he does not wants us to call himn a criminal, he should respect the ICJ ruling. [applause; crowd shouts: "People's power!"]

The... [crowd interrupts, chanting slogans] The ICJ ruling is there, and it says clearly that the U.S. rulers are responsible for the crimes in Nicaragua, that they are violating the laws, the Nicaraguan people's human rights. However, the U.S. rulers have said they will ignore the ICJ ruling. By contrast, they have decided to approve the $100 million, the sending of weapons and advisers. The have formed a kind of high command, a sort of high command with these sinister persons we have mentioned in order to continue their terrorist policy against Nicaragua.

Therefore, at the same time, we have continued to defend ourselves internationally, in the same measure. We will continue to resort to the laws and will continue going to the ICJ. We must do something for the country, because had we taken a rest and entrusted the defense of the revolution to the international organizations, had we not prepared our defense, had we not obtained weapons, what would have happened here in Nicaragua? Would we have a revolution now, under these circumstances? [crowd shouts: "No!"] Of course not, there would not be a revolution under these circumstances. Reagan has sought to attack us, to weaken us, to attack and disarm us, to attack disarmed pople. Therefore, we have had to take measures, very specific measures here in Nicaragua to face the aggression, the resist the aggression, to defeat the aggression as it has been resisted and defeated in this Region 1.

And what has been the first task, the first big task? Defense. What is the meaning of defense? The rifles in the hands of whom? [crowd shouts: "Of the Nicaraguan people!"] In the hands of the people, the peasants, laborers, women, all the Nicaraguans who are determined to defend their revolution.

And since there is awareness, decisiveness, firmness, and rifles here, we have been able to fight the aggression successfully, and defeat the aggression. We are defeating it every day, we are defeating the aggression today, when we are celebrating this seventh anniversary. And Reagan dreamt that we would not celebrate this anniversary in Nicaragua. [crowd shouts: "Here and there the Yankee will die!"] [At this point the station announcer says: "We want to tell you that this transmission is being aired through the Intersputnik to six countries."] Along with the organizational and military measures for the defense of the revolution, we also had to take measures in order not to give our enemies -- those who want to destroy the revolution -- the chance to develop an internal front in our country. That is why we had to implement the state of emergency. It is a state of emergency to face the aggression. It is a state of emergency to face the war that the United States(?wants to impose). The state of emergency has not been established to radicalize the process. That is not the reason for the state of emergency. The state of emergency was established to defend the revolutionary process. The state of emergency was not established to end political pluralism and the mixed economy. The state of emergency was established to preserve political pluralism and the mixed economy within the institutional framework.

In other words, within the boundaries of the institutional framework one can think as one pleases, one can disagree with the government and the FSLN, and it is not a crime. It is not a crime. But to step out of the boundaries of the institutional framework and become allied with those who are attacking Nicaragua, that is something else. How are people like that known in history? They are known as traitors.

A few days ago in the United States a North American named Richard Miller was convicted and given two life sentences plus 50 more years in prison. Imagine what kind of sentence that is: two life sentences. In Nicaragua the maximum term is 30 years, while life imprisonment supposedly means until death. Imagine, this man has to die, be born again, serve another life sentence, die, born again, and serve 50 more years. Why? Why did he receive such terrible sentence? He was accused of spying. He was accused of being a spy.

Well, what has the United States done in war situations? For example, when World War II occurred and the United States was facing fascism, what did it do? What did the United States, which was not being bombed directly -- the bombs were being dropped on Europe and the Soviet Union -- do? It put thousands of Japanese in jail. All Japanese residing in the United States were taken to jail. They were taken to jail even if they had been born in the United States. They even took children to jail. They took entire families to jail. They built large concentration camps with barbed wire and all. That's where they took Japanese citizens; and only because they were Japanese and Japan was an ally of Germany.

It was a truly cruel action, but the United States justified it because, well, it was at war. What else did it do? There was a U.S. literary genius, (Ernest Labon). He is dead now. Using what North Americans referred to as freedom of thought, (Labon) gave a speech against the U.S. Government over an Italian radio station -- back then when Italy was part of the fascist alliance. For making a speech against the United States over an Italian radio station at a time when Italy was allied with fascism, he was tried and put in prison. Horrible things happened to him.

In Nicaragua, defending with all justice the revolution attacked by the United States, we have not committed and will not commit any barbaric actions as were carried out in the United States. We are saying this because now that we are applying the emergency laws, when we decided to temporarily close LA PRENSA and to keep a certain bishop and priest [applause] out of the country, the United States wants to present us as trampling on freedom of the press and the church. This is how they want to present us -- a government carrying out hasty actions against freedom of the press and the church. This is how they want to present us. They want to portray us like that in the United States, and Reagan shows up expressing regret for the measures that Nicaragua has taken.

We have adopted these measures justly, because the newspaper LA PRENSA is and has been financed by the CIA. Thus, this falls within the realm of treason. The truth is that the owners of LA PRENSA, who even went to the United States to lobby for the $100 million to murder Nicaraguans, should actually have been sent to prison, prosecuted, and given 30-year sentences, which is the maximum sentence in Nicaragua. We would not have sentenced them as traitors and spies are sentenced in the United States. [Words indistinct] that is the least they deserved: 30 years in prison. [applause; crowd chants slogans]

We would have to say the same about the behavior of some of the hierarchy of the church. [Words indistinct] mild measure. Another measure that we could have taken, which would have been legal.... [changes thought]

We have disregarded the law somewhat, because according to the law the cwners of LA PRENSA, who have been receiving money from the CIA and who have gone to the United States to lobby [preceding word in English], to voice their opinion in favor of the $100 million, Bishop Vega, and Mr [Bishop] Carballo should be in prison with 30-year sentences handed down by the anti-Somozist tribunals. That would be just. [applause, crowd chants slogans]

Logically, this does not mean under any point of view that we are persecuting the press as such. We defend freedom of the press. Nor does this mean that we are persecuting the church. We are not persecuting the church. We have never persecuted the church, nor will we ever persecute it. We are (?saying) this because there have been many telegrams, many messages concerning the issue of the bishop. There has been some concern. However, I want to read you this:

In Central America, in the years since the triumph of the Sandinist revolution, in these years 138 members of the clergy, including priests and nuns, have been murdered: 138 members of the clergy, including a bishop. None of the 138 members of the clergy who have been murdered have been murdered in Nicaragua -- not one. [applause] A total of 268 members of the clergy have been listed as missing or kidnapped. None of those 268 members of the clergy were listed as missing or kidnapped in Nicaragua. [applause] That means that the church and the clergy are victims of terrorists, aggressive policies that the U.S. Government of backs in other Central American countries, but not in Nicaragua. As we said, there has not been and there will never be religious persecution here.

When we discuss internal measures to defend the revolution, particularly the military defense of the revolution and our ability to organize and counter any kind of aggression by the U.S. Government, we are also referring to the need to promote production with more efficiency and discipline. In discussing production, we must discuss the problems Nicaragua is experiencing regarding production. These naturally include supplies, because if we are having trouble with production, we will naturally have trouble with the distribution of resources among all Nicaraguans.

This year's corn harvest was not good. This means that there will not be much corn or beans to distribute. The coffee harvest was also affected. The effects of this will be noticed. We must realize that we are facing not only the criminal war that the United States is waging at the military level, but the criminal war that the United States is waging at the economic level as well. It blocks loans and internal assistance. It makes efforts to prevent Nicaragua from getting assistance, to make the Nicaraguan people suffer, to make the people resentful, so that the people will begin to say that all the revolution brought was hunger and poverty, so tht the people will deny the revolution and be willing to receive the Yankee soldiers, the mercenary forces, and the former Somozist guardsmen. Therefore, production has become a target of the terrorist policy of the U.S. Government.

We must take over the production tasks with great discipline. There are examples in this region of how the workday in the fields has increased to 7, 8 hours, and even more. That is what we need in all of Nicaragua. We need for the workdays everywhere to increase, so we will be able to produce more, and produce more effectively, and we will have more to distribute in these difficult moments of fighting against Yankee intervention. [applause]

The Sandinist Assembly has thoroughly discussed this topic with the National Directorate, that is, the topic of production, the topic of supplies. We are able to say now -- and everyone is aware of tis -- that is a problem we will have as long as there is war, as long as there is aggression.

We know we will have to make very special efforts to produce more effectively, to make better use of material resources, to make better use of human resources. We will also have to make efforts to distribute products better. We must admit we still have our faults, our deficiencies in the distribution of products.

We can and should solve these deficiencies. All of us must assume these tasks. These tasks should be assumed by the institutions, Micoin [Ministry of Domestic Trade], the mass organizations, the workers organizations, the cooperatives, everyone together, we must all assume these tasks of distribution. [We must learn why] the products did not arrive on time, or there was not enough.

The corn harvest was poor. Now then, the little corn there is must be distributed with justice. What does distribute with justice mean? What does distribute with justice mean in these war conditions? Who should receive food first? The fighters. In the first place, we must send food to the fighters, and later on, to whom should we send food? The workers, the peasants who are producing, the workers who are in the factories. Food must be sent to the workers. We must understand this very clearly.

The companeros who are not directly involved in productive tasks will feel, or are already feeling, the effects of this lack of supplies. There is a supply shortage, because the supply is very low compared with the high demand.

Everybody now has a right to demand rice, beans, cooking oil, and soap; everybody now has a right to demand things. Naturally, when the reporters talk to the people and hear the people demanding, they think: This means the people are against the revolution, because the people are making demands. They do not realize that the people are now making demands because this is a right achieved by the revolution. Naturally, when one visits other neighboring countries, for example, where the people are hungry, where the people are suppressed, they do not hear people making demands or protests; people do not demand things from the government, because the government does not give the people the right to make demands.

That is what happened before in Nicaragua. Could it be said here, in Nicaragua, that before the people were overstuffed with so much food? [crowd answers: "No"] Who was overstuffed with so much food before? [crowd shouts indistinct words] But could the people make demands of the government in the times of Somoza? [crowd shouts: "No; It would get you in jail"] Of course,, it would get you in jail. The people were thrown in jail for anything, and it would get you murdered.

For example, workers' demonstrations in Honduras or Costa Rica are suppressed. The banana company workers who have staged demonstrations in Costa Rica have been murdered. The same thing happens in Honduras. Here, the people have a right, have an obligation to demand food. All Nicaraguans have a right to demand food. All Nicaraguans have a right to demand food [applause; crowd chants]

Therefore, we are obliged to distribute the food we have. If we have an abudance of food, we will distribute it in greater amounts. If we have less food, we will distribute it in lesser amounts. As we have said, we will first distribute food to the fighters. In the second place, we will distribute it to those who are producing in the fields, cities, production centers, factories, cooperatives, state enterprises, and then, the other companeros who are in the service sector, which is an important support. We cannot say they are not producing. They are also part of our production. We must have some order, priority, and they have priority.

This means that we will make greater efforts to improve distribution of staples. We will adopt stronger measures to fight the institutional deficiencies we are detecting, and we must overcome them. We must create truly efficient mechanisms of distribution.

However, we must also fight speculation. We must fight the big speculator, and we must fight the small speculator. There are times when we all become speculators. We receive a product from CAT [Worker's Supply Center] or (?CEI) [not further identified], and we turn around and resell it. Then we see the product being sold in the market at a very high price. Therefore, we must put forth efforts to fight speculation everywhere and from every direction. [applause]

The immediate future, now that Reagan has these plans against Nicaragua, is one of difficulties; is it greater to surrender because we are hungry? [crowd shouts: NO] Are we going to give in just because we have problems with the supply of food and because we do not have food? [crowd shouts: No] We need to strengthen this awareness to survive even under the worst circumstances; to carry a rifle in one hand -- in the face of the aggressor -- with a mouthful of food in the other while defending the homeland and revolution. Because here in Nicaragua we are defending the bulwark of democracy in Latin America. [applause]

We understand democracy totally. It would be worthless to speak of democracy here and hold elections every year or two and do nothing specific for the good of the people. What good would be achieved if we were to hold elections every year, every 2 or 5 years? What would we achieve? [crowd shouts: Nothing] What do other countries achieve by holding elections every 4 or 5 years if they cannot resolve the problems of the peasants, laborers, and workers? Here we practice total democracy and total democracy does not only mean elections every so many years. Total democracy means giving the people education, that is democracy, giving the people an education; giving the people health is democracy; housing for the people is democracy; land for the people is democracy.

From the day the revolution triumphed, until today, here in Nicaragua we have given the peasants 2.8 million manzanas of land. [applause] This equals 1,971,831 hectares. This means that in these past years we have given the people almost 2 million hectares. In these Central American countries, during the 1960's after the Cuban revolution triumphed, alleged agrarian reforms were implemented. Even Somoza implemented a mock agrarian reform.

Just think about this: If we were to add the amount of land quote given unquote -- because they give and later take back or distribute it among themselves; that is their type of agrarian reform -- in all the Central American countries, not including Nicaragua, we would get a total of 1.4 million hectares. In Nicaragua, in 6 years of revolution, we have distributed almost 2 million hectares and those othe Central American countries, since their beginning as countries, have distributed 1.4 million. This is democracy. [applause]

If they want to compete with Nicaragua I would invite Honduran President Azcona to compete with us in the area of peace; that we compete to see who will give the peasants more land; that President Azcona give the Honduran peasants land; [applause] that he touch the pockets of the 28 percent of the large landowners he has in Honduras; that he take land and distribute it among the Honduran peasants who need this land.

The Costa Rican Government, President Arias, should do the same thing; 41 percent of the land in Costa Rica is in the hands of large landowners. President Arias should distribute this land among the peasants, the poor, and the downtrodden who are demonstrating and demanding land, but all he does is order the Costa Rican guardsmen to beat them and even kill them. Let us compete in that area, in the area of health, education, housing, and then we will be creating democracy. [applause and chanting slogans]

We have defended and will continue to defend this democracy, even if President Reagan or certain Central American leaders do not like it. We will continue to defend this democracy. We say that we will continue to defend it, because it is part of the cause of Latin America; because Latin Americans... [changes thought -- FBIS] because the peoples of Latin America and the Caribbean are facing the aggressive policy of the U.S. Government.

Nicaragua is a victim of that terrorist and aggressive U.S. policy, and at present we are its main victim. That is ture. However, all of Latin America is a victim of an unjust economic policy promoted and defended by the United States -- a policy that is suffocating the Latin American peoples. We are suffocating from destitution, hunger, and unemployemt.

The Latin American peoples are victims of IMF policies that only bring destitution and unemployment to Latin American peoples. The U.S. Government questions dignified positions adopted by Latin American governments. It launches slanderous and denigrating campaigns against Latin American governments, such as the governments of Mexico and Panama.

The U.S. Government refuses of listen to the Latin American governments that make up the Contadora and Lima Groups and are demanding a peaceful solution to the Central American conflict. We will continue to support these American solutions. [applause] We will continue to support these Latin American solutions. We will continue to support the Contadora and Lima Groups. We will continue to support them during discussions and negotiations, and we will thus continue to defend this revolution with weapons in hand. [applause, crowd shouts slogans]

We issue a call with a truly fraternal and Central American spirit to the Central American leaders, asking them not to let themselves be used as instruments of the U.S. Government's terrorist policy. We are saying this to President Azcona. President Ariaz, and President Durate. We believe that deep inside they do not really want a larger war in Central America. We want to believe that deep inside, they do not want to military intervention against Nicaragua, because they know that a military intervention against Nicaragua would mean a total war in all of Central America. [applause, shouts] We are sure that deep inside they want peace. However, how far are they going to let themselves be dragged by the U.S. Government's policy of pressures and blackmail?

This has its limits. The moment to make decisions is drawing closer, and at that time, these Central American leaders will have to decide to behave responsibly, defend peace, and stand on the side for their people and Central America or decide to be an instrument of the U.S. interventionist policy against Nicaragua. At that time, their own people will judge them. [applause]

We call on the U.S. Government to comply with the ICJ ruling. We will convoke the UN Security Council. We will give the U.S. Government a prudential period of time to see whether it is capable of admitting that it is wrong.

The ICJ ruling was announced on 27 June, and 27 July will mark 1 month since the announcement. We will give the U.S. Government until 27 July to abide by and accept the court's ruling. In the event it does so, there will be no need to convoke the UN Security Council. Otherwise, we are going to convoke the UN Security Council and to demand support from the international public opinion for the ICJ ruling. [applause]

On this seventh anniversary of the Sandinist people's revolution, we want to reiterate our call to all Nicaraguans, regardless of their ideological and political thinking, to strengthen national unity, to work for national unity, that is, to work for the Nicaraguan people. However, to work for national unity implies that there must be a convergence around the defense of Nicaragua's self-determination, sovereignty, and independence.

Those thinking of a national unity that runs counter to the institutional framework or of refusing to accept its principles, should once and for all unmask themselves and join the contras, side. They should leave for Miami or camps in Honduras. [applause] They should make up their minds once and for all.

We are commemorating this seventh anniversary with the fighting spirit of all the Nicaraguan people, with the fighting spirit of the peoples of Central America, Latin America, the world, and that of the people of the United States, who are also on the side of the Nicaraguans.

We now commemorate this seventh anniversay. In the future, when there is peace, history will say that the people of Esteli, defying the threats of the mercenary forces and the U.S. Government, met in Esteli to celebrate the seventh anniversary.

When history refers to this occasion and when there is peace in Nicaragua and Central America, it will also be said that there was an infamous president in the United States called Ronald Reagan, because he will go down in history as an infamous president. History will present President Ronald Reagan as another Nero, as another Hitler, for killing the Nicaraguan people, Nicaraguan children and youth. [applause] Ronald Reagan will remain forever in histroy as a bad example and as a lesson for the children of the world.

History will also refer to the Nicaraguan people, who existed at the time, who will exist forever, and who defend their country and their revolution with dignity and determination; with the courage of Sandino, Carlos and Zeledon; and with the heroic call: Free Fatherland [crowd shouts: "Or Death."] [applause]

AT LEAST 12' MI-17 COPTERS REPORTEDLY RECEIVED

PA201753 San Jose LA REPUBLICA in Spanish 14 Jul 86 p 4

[By William Kapic]

[Excerpt] The EPS has received more Soviet helicopters for the transportation of troops and war materiel, a well-informed diplomatic source in Managua has confirmed.

At least 12 MI-17 unarmed helicopters have entered the country by sea during the past weeks, the source added. An unspecified number of Eastern European trucks and vehicles have also entered Nicaragua for use by the military, the source added. Armored vehicles from the USSR have also arrived

The new helicopters, according to our source, will be used in aerial support missions; their offensive power is limited.

For the past 3 years the Sandinist Army has had a powerful fleet of Soviet MI-24/HIND and MI-8/HIP helicopters, which are Nicaragua's leading aerial combat weapons.

The presence of new Soviet transportation helicopters further strengthens the Sandinist forces; capacity to mobilize within the national terrritory.

When asked about the Sandinists' plans to acquire better weapons, ranking Nicaraguan officials always say: "That is a right we have not given up." [passage omitted]

BORGE CONFIRMS HELICOPTER CRASH IN BLUEFIELDS

PA210212 Mexico City Red Nacional 13 Imevision Television in Spanish 0142 GMT 21 Jul 86

[Text] Interior Minister Tomas Borge has confirmed that a military helicopter carrying 17 Sandinist soldiers crashed yesterday a few minutes after takeoff from Bluefields, located on the Atlantic coast. Borge did not give any details on the incident, which resulted in the death of 16 of the 17 crew members.

In addition, the government newspaper BARRICADA said that two persons who were planning to assassinate President Daniel Ortega were arrested during operations that were carried out a few days before the seventh anniversary of the revolution.

HAVANA CONCLUDES FOREIGN DEBT NEGOTIATIONS

FL190127 Mexico City NOTIMEX in Spanish 0024 GMT 19 Jul 86

[Text] Havana, 18 Jul (TANJUG-NOTIMEX) -- An official spokesman here reported that in Paris, France, representatives of the Cuban Government have concluded negotiations with Paris Club creditors on rescheduling Cuba's foreign debt.

The Western representatives proposed to their governments the restructuring of a portion of Cuba's debt and rescheduled this year's interest payments.

Cuba's current debt exceeds $3.5 billion, which is not [as received] a serious burden since the situation changed this year after a drastic reduction in income resulting from the fall of the dollar and oil prices, said the spokesman.

The communique issued on the negotiations does not mention Cuba's decision in April to postpone debt payments from May to August and to seek a rescheduling formula that would be acceptable to both parties.

CASTRO SENDS ORTEGA 7TH ANNIVERSARY GREETING

PA181609 Managua Domestic Service in Spanish 1445 GMT 18 Jul 86

[Note of congratulations sent by Fidel Castro Ruz, president of the Councils of State and Ministers, to Nicaraguan President Daniel Ortega Saavedra, coordinator of the Executive Commission of the FSLN National Directorate, "on the seventh anniversary of the triumph of the Sandinist people's revolution;" date not given]

[Text] On the seventh anniversary of the triumph of the Sandinist people's revolution, and on behalf of the Cuban people's deepest feelings of fraternity and solidarity, I convey to you and to all of the heroic Nicaraguan people my most fraternal greetings.

Nicaragua arrives at this 19 July, as it has in pervious years, in the midst of its arduous and victorious battle against the dirty war of aggression organized, financed, and directed by the U.S. Government with the criminal complicity of various neighboring countries. The U.S. Government has attempted to make the destruction of the Sandinist revolution a test of the power of its reactionary, interventionist, and counterrevolutionary policy. That is why the struggle presently waged by the intrepid fighters of the EPS, militias, workers in their production and defense positions, women youths, and even children is not simply a struggle to safeguard the invaded homeland and the achievements of the people's power. It is also a struggle for the right of all peoples to freedom and prosperity, to decide their own future, and to free themselves of imperialism's custody and exploitation. With sacrifice, suffering, and the blood of its sons, Nicaragua is at present blocking Yankee intervention and making a decisive contribution to peace in this hemisphere and the world.

The Sandinist revolution proves again that the peoples who have achieved freedom do not fear death but fear bondage. Neither the bands of Somozist murderers, nor the mercenaries paid by the Yankees, nor the local reactionaries who support the imperialist aggressor, nor Reagan's other accomplices and agents in Central America, nor the campaigns of slander and terror, nor the million of dollars that the U.S. Congress, the CIA, and Executive Branch approved have been able or will be able to destroy it.

Neither will it be destroyed through a direct military intervention, the danger of which is increasing in the same proportion that the Yankee government is obstructing the political resolution of the conflict and insisting on a policy of force that is doomed to failure.

A closely united people, vanguard, and leadership, together with the solidarity of all the world's revolutionary and progressive peoples, will guarantee that nothing and no one will be able to divert the Sandinist revolution from its historic goal. Like yesterday and today, you will always be able to count on the fraternal and unbreakable internationalist support of the Cuban people.

I convey to you a strong revolutionary embrace.

Havana on Anniversary

Havana International Service in Spanish 2300 GMT 18 Jul 86

["Our America" commentary]

[Text] Seven years after defeating one of the bloodiest tyrannies in the history of Latin America, the Nicaraguans are again involved in another war: This time the aggressors are former Somozist guardsmen and other traitors, who are manipulated by the United States, the world's largest capitalist country.

When, in the middle of July 1979, thousands of happy Nicaraguan youths, including children, entered Managua, satisfied that for the first time in their lives they were free, they never thought that they would soon be picking up their arms again to subdue the Somozist criminals and other renegades, who began killing innocent citizens.

While the Nicaraguan people went ahead, trying to heal the woulds left by the war and the natural disaster, they did not expect that soon after the July victory, they would have to return to the mountains to pursue to elusive mercenaries, who are being paid by U.S. President Ronald Reagan, who has the nerve to call his proteges freedom fighters.

Meanwhile, thousands of mothers and wives are again mourning their sons and husbands, who have been killed in combat against the counterrevolutionaries, whose main camp is in Honduras.

During the 7 years that have passed since the victory of the revolution, the former Somozist guards and the traitors have been defeated many times. This is one of the reasons why Reagan desperately insisted that the House of Representatives approve the $100 million in aid for the counterrevolutionaries.

Nicaragua's economy has been affected because approximately 40 percent of the nation's budget is being used to defend the country's sovereignty. The United States has also applied a series of pressures such as: the economic embargo, the mining of Nicaraguan ports, the attack on Sandinist leaders, and a ferocious propaganda campaign aimed at distortioning the country's reality.

Some top spokesman of the church and of the local bourgeoisie, as well as the opposition newspaper LA PRENSA, have also played a significant role in the political destabilization campaign.

Reagan's mad campaign against Nicaragua has assumed a new aspect now that the CIA has taken over direct responsibility and control of the mercenary bands that are operating from Honduran territory, where the United States frequently carries out military maneuvers aimed at orchestrating a direct invasion of Nicaragua. With this in mind, the U.S. Government has obstructed, with the support of Honduras, El Salvador, and Costa Rica, the Contadora Group negotiation process, putting in doubt a negotiated solution to the Central American conflict.

Seven years after the heroic Nicaraguan people defeated the brutal Somozist tyranny with so many sacrifices, they again have to pick up their weapons against the foreign aggressor, just as Augusto Cesar Sandino did. But the present generation has proven to be worthy followers of Sandino, the outstanding patriot.

CROMBET MEETS WITH HUNGARIAN OFFICIALS

FL190305 Havana Radio Rebelde Network in Spanish 2300 GMT 18 Jul 86

[Text] The Communist Party of Cuba delegation led by Secretariat member Jaime Crombet today met with Hungarian officials. The Cuban delegation also toured (?Debrecen) province, where they visited the (Balaton Fuspo) nitrochemical plant.

AMBASSADOR MEETS WITH POLAND'S MALINOWSKI

FL190246 Havana Radio Rebelde Network in Spanish 2300 GMT 18 Jul 86

[Text] Roman Malinowski, speaker of the Polish Sejm, today met in Warsaw with Cuban Ambassador Martin Mora. The Cuban diplomat presented Malinowski with a document from the Cuban National Assembly of the People's Government condemning the U.S. approval of $100 million in aid to the anti-Sandinist bands.

FLEMACON HOLDS MEETING IN HAVANA

PA172239 Havana International Service in Spanish 1800 GMT 16 Jul 86

[Text] The Latin American Federation of Construction, Lumber, and Construction Materials, Flemacon, has called for holding a second continental day against the payment of foreign debt, including interest. In a meeting of the Flemacon Secretariat, which held 2 days of sessions in Havana, delegates also called for the establishment of a new international economic order and for the economic integration of Latin America and the Caribbean. They also expressed support for the continental campaign of solidarity with Nicaragua, which began on 14 July and will continue until 19 July, when the 7th anniversary of the triumph of the Sandinist revolution will be celebrated.

BOUTERSE OPENS NONALIGNED MOVEMENT SEMINAR

FL181958 Paramaribo International Service in English 1800 GMT 18 Jul 86

[Text] Government leader Desi Bouterse yesterday told participants at an international seminar on the Nonaligned Movement, which is being held here, that the main thrust of the revolution in Suriname is directed towards the creation of a real and valuable nation which in the past had been politically divided along racial lines. Bourterse said that through national dialogue, Suriname has been able to mobilize the broadest [word indistinct] of the political spectrum ever brought together in the country's history. He added this consists of representatives of trade unions, national entrepreneurs, the business community, the three major political parties, and the revolutionary movement. He was speaking at the opening of the seminar yesterday, which will end tomorrow.

Further Remarks

FL182006 Paramaribo International Service in English 1800 GMT 18 Jul 86

[Text] The head of government of Suriname, Desi Bouterse, said the new Government of Suriname will be entrusted with two main tasks. One, he said, is the preparation together with the National Assembly of a new constitution which will be eventually submitted for approval to the [word indistinct] for appraisal to a national referendum while the other will be crash economic program. He made these remarks in an opening address at the international seminar on the Nonaligned Movement yesterday. He told the participants that the progress in Suriname is aimed at the renewal of what he termed the four important segments of our nation. These he singled out to be the social ecomomic order, the social order, the administrative order, and the education order adding that in order to achieve these goals, quote, it is an absolute necessity to move our society into one base on new and truly democratic structures, unquote.

New Prime Minister Attends

FL182056 Paramiribo International Service in English 1800 GMT 18 Jul 86

[Text] The international seminar on the nonaligned Movement currently in session here with guests from Yugoslavia, Egypt, Indonesia, Guyana, the Netherland Antilles, and international organizations is a follow-up to a national seminar on the Nonaligned Movement which was held here last month.

The opening session of the seminar yesterday was attended by Suriname's new Prime Minister Pretaap Radhakishun and his Council of Ministers, which was installed on Wednesday, members of the diplomatic corps, and some government and military officials.

In an inaugural address, Bouterse said the seminar is a help at a time when the world is passing through a critical stage from the economic and political point of view. He continued, quote, we are witnessing still a [word indistinct] occupied Namibia and a struggling South Africa in which a white minority regime is trying to survive by oppressing a black majority, unquote. The Surinamese leader added that the adoption of resolutions and written condemnations alone will not bring freedom to South Africa. He said the time has come for the world community to take decisive actions aimed at bringing an end to state exercise racism, constitutional discrimination, humiliation, and oppression. In a wide-ranging speech, Bouterse said the peoples of Central America are still living in a state of war, and the Contadora efforts have not yet born the results as expected.

FBIS

DAILY REPORT CONTENTS

Latin America

Vol VI No 140 22 Jul 1986

INTER-AMERICAN AFFAIRS

Latin American Parliament Issues Document [AFP] A 1
Mexican President Opens ALADI Meeting [NOTIMEX] A 1
Briefs: L.A. Parliament Appointment A 2

ARGENTINA

Alfonsin, Caputo Lead Delegation to Saudi Arabia [cross-reference] B 1
President Makes 'Unofficial Visit' to Portugal [cross-reference] B 1
Iraqi Ambassador Discusses Plane Purchase B 1
New Armed Forces Prosecutor Installed B 1
SIDE Chief Says Secret Code Not Broken B 2
Legal Status of Pilots Union Suspended B 2
    CGT Protests Suspension B 2

BOLIVIA

Further Reportage on Antidrug Campaign, Reaction C 1
    Decree on Traffickers, Properties C 1
    Border Controls Increased C 2
    Army Occupies Peasant Federation C 2
    Press Workers Demand Withdrawal C 3
    Cocaine Price Rises C 4
Brazilian Loan Permits Paris Club Refinancing C 4

BRAZIL

Foreign Minister's Upcoming Trips Reported D 1
Government To Expand Drug Agreement With U.S. D 1

CHILE

Foreign Minister To 'Analyze' Gelbard Remarks E 1
Judge Releases 17 of 25 Jailed Soldiers E 2
Pinochet Rules Out Self-Nomination for New Term E 2
Lawyers Group Wants Military Chiefs To Resign E 2
AD Calls for Establishment of National Consensus [EL MERCURIO 16 Jul] E 3

COLOMBIA

Government Rejects Amnesty International Report F 1
    General Denies Report F 2

PARAGUAY

- Interior Minister Views Meeting With Gelbard H 1
  - PLR President Meets Gelbard [LA TARDE 21 Jul] H 2
- Liberal Party Factions Meet, Begin Dialogue [LA TARDE 18 Jul] H 2

PERU

- Garcia Expresses Support for Sandinists J 1

MEXICO

- Del Mazzo To Hold Talks With Oil Ministers M 1
- British Legislators Confident in Economy M 1
- Soviet Official Arrives, Calls for Pressure on U.S. M 1
- Government Seeks To Attract New Foreign Investments M 2
- PMT Issues Communique on Economic Crisis [EL UNIVERSAL 14 Jul] M 2

PANAMA

- Noriega on U.S. 'Conspiracy' To Keep Canal [Madrid EL PAIS 20 Jul] N 1
- International Drug Traffickers Reportedly Arrive [EXTRA 21 Jul] N 2
- Bolivian Citizens To Be Denied Entry [CRITICA 21 Jul] N 2

CENTRAL AMERICA

COSTA RICA

- Government Communique Replies to Ortega 'Attacks' P 1
- Arias Says Democracy Needed in Nicaragua, Chile P 1
- OIJ Discovers New Drug Trafficking Route P 2
- Central Bank Devalues Colon by 30 Centimes P 2
- Briefs: New Envoy to U.S. P 2

GUATEMALA

- Guerrillas List Demands for Government Changes P 3

HONDURAS

- Army Patrol Kills 6 Salvadoran Rebels P 4

NICARAGUA

- 2 U.S. Journalists Accused of 'Spying,' Deported P 4
  - Documents, Hotel Changes Cited [REUTER] P 4
- Further on Revolution Anniversary Activities P 5
  - Iraqi, African Delegates Received P 5
  - Greetings from FMLN [Venceremos] P 5
  - Message From SRV P 6
  - Egyptian, Other Messages Noted P 7

- Youth Conference Honors Daniel Ortega P 7
- Terrorists Thwarted; Threat to Ortega Noted [BARRICADA 20 Jul] P 8
- EPS Reports on Helicopter Crash, Casualties P 8
- Opposition Demands Redress of 'Mistakes' [DPA] P 9

CUBA

- Jorge Risquet Speaks at Nicaraguan Ceremony Q 1
- British Communist Party Delegation Visits CTC Q 1
- U.S. 'Pressuring' Brazilian Computer Industry Q 1
- Castro Presides Over Central Committee Meeting Q 2
- Raul Castro Presides Over Center Inauguration Q 2
- Council of State Appoints New Sugar Minister Q 3
- Espin Presides Over Children's Day Ceremony Q 3
- Politburo Member Presides Over Graduation Q 3
- Electoral Process Instructions Approved Q 3

DOMINICAN REPUBLIC

- Balaguer 'May Reinstate' Military Officials R 1
- Balaguer To Undergo Eye Tests in U.S. R 1

CARIBBEAN

- Area Nations Boycott Commonwealth Games S 1
  - Jamaica Pulls Out S 1
  - Trinidad-Tobago Joins Boycott S 1
  - Barbados Decides To Boycott S 2
  - St. Vincent Boycotts S 2
  - Grenada Government Issues Statement S 3

GRENADA

- Foreign Minister To Visit China, South Korea S 3

HAITI

- Desyr Appeals Sentence for Murder S 4

GUYANA

- Georgetown Withdraws From Commonwealth Games T 1

LATIN AMERICAN PARLIAMENT ISSUES DOCUMENT

PY211947 Paris AFP in Spanish 2357 GMT 20 Jul 86

[Text] La Paz, 20 Jul (AFP) -- The Economic Commission of the Latin American Parliament, meeting in Santa Cruz, 1,000 km east of La Paz, today condemns foreign intervention in Central America and regrets the economic help that the U.S. House of Representatives has granted to the irregular forces in the area.

The document containing these conclusions, which was released to the press immediately after the closure of the deliberations, also emphasizes support for an orderly and just solution as sought by Contadora and its Support Group.

The same document strongly condemns the Chilean Government of General Augusto Pinochet, whose despotic conduct upsets the democratic integration process of the region.

In the section of the document that deals with integration, a recommendation is made to the education ministers of the region to produce a book on Latin American history to bring out the ethnic, cultural, linguistic, and religious affinities existing among the Latin American peoples.

Medium-term objectives would include the creation of a Latin American Monetary Fund, the elimination of the necessity for visas and passports for Latin American citizens, and the institution of a single monetary unit for the region, the document says.

The commission also suggests conducting joint economic and technological research as the only possibility to counter progress being made in other continents.

Regarding the foreign debt, the commission ratifies its belief that the debt can neither be collected nor paid under the present circumstances, and adds that the debt is an unbearable burden laid by the industrialized countries on the poor ones.

The economic commission insists on the need to bring interest rates down to the levels at which they are contracted; to extend payment dates; and to agree on new conditions based on the evolution of prices of raw materials and on the opening of the European and U.S. markets to Latin American products.

In conclusion, the members of the regional parliament consider it necessary to meet with their U.S. colleagues to examine common problems, and they reaffirm the urgent need to call a meeting of Latin American presidents.

MEXICAN PRESIDENT OPENS ALADI MEETING

FL212104 Mexico City NOTIMEX in Spanish 1927 GMT 21 Jul 86

[By correspondent Enriqueta Luna]

[Text] Acapulco, Mexico, 21 Jul (NOTIMEX) -- President Miguel de la Madrid Hurtado today underscored that it is impossible to reach concrete and prompt measures in making progress in the area of economic integration and create conditions that will allow the long-sought Latin American common market.

As he opened the second special meeting of high-level government representatives of the Latin American Integration Association [ALADI], the Mexican chief executive referred to the crisis that is choking Latin American countries and said this crisis had been created by domestic and foreign factors. This has provoked difficult adjustments from each of the countries of the area.

He indicated that these countries' difficulties had exacerbated in the last few years because of the heavy load of the foreign debt, the deterioration of trade terms, and the sharp drop of export raw materials prices, including oil. He also mentioned the protectionist policies of the interested countries, the shrinking financing lines, continued high interest rates, and the reduced growth of international trade as causes of the regional economy's deterioration.

This situation provoked a net transfer of currency abroad, which reduced the Latin American economies' possibilities and widened the gap between these nations and developing countries. He added that it is imperative to overcome this situation but that this effort will not be successful if it is not done with the support of industrialized countries.

He said that within this framework, and because of the insensitivity and fatigue of some international forums, it is urgent to revise and thoroughly consider ALADI integration measures and mechanisms to widen the alternatives it offers and turn it into a solid column which will increase and diversity the area countries' foreign trade. This effort, which is based on the assumption that the Latin American countries are united, should be supported by various social and productive agents. Also, governments should facilitate the progress of the integration process.

The Mexican president urged the delegates to meet during these 5 days, reaffirm their integrationist spirit, and reach concrete agreements that will allow the countries of the region to have broader preferential tariffs and eliminate restrictions. Also, he called on them to improve a coordinated transportation system, especially the maritime system, to adopt efficient methods of financing, to improve the existing payment systems, and to promote an efficient support system for countries with less relative economic development.

BRIEFS

L.A. PARLIAMENT APPOINTMENT -- Antonio Riva Palacio, leader of the Mexican Senate, has been elected in Santa Cruz, Bolivia, vice chairman of the permanent commission of economic integration and of the Latin American Parliament. This organization is composed of representatives from 15 countries: Argentina, Bolivia, Brazil, Costa Rica, Cuba, Chile, Ecuador, Honduras, Nicaragua, Panama, Venezuela, Dominican Republic, Uruguay, and Mexico. The delegation of Mexican legislators is composed of Senator Jose Patrocinio Gonzalez and deputies Jesus Murillo Karam and Roberto Calderon. [Text] [Mexico City NOTIMEX in Spanish 2350 GMT 18 Jul 86 FL]

ALFONSIN, CAPUTO LEAD DELEGATION TO SAUDI ARABIA

For Riyadh coverage of the visit to Saudi Arabia by President Raul Alfonsin, Foreign Minister Dante Caputo, and the accompanying delegation, including talks held with Saudi King Fahd ibn 'Abd al-'Aziz and Foreign Affairs Minister Sa'ud al-Faysal, see the Arabian Peninsula section of the 22 July Middle East & Africa DAILY REPORT and subsequent issues.

PRESIDENT MAKES 'UNOFFICIAL VISIT' TO PORTUGAL

For reportage on the 15-hour "unofficial visit" to Portugal by President Raul Alfonsin, including his news conference with Portuguese President Mario Soares, see the Portugal section of the 22 July Western Europe DAILY REPORT and subsequent issues.

IRAQI AMBASSADOR DISCUSSES PLANE PURCHASE

PY211554 Buenos Aires TELAM in Spanish 1420 GMT 20 Jul 86

[Text] Cordoba, 20 Jul (TELAM) -- Iraqi Ambassador to Argentina Mundhir Ahmad al-Mutlaq has said here that the decision on the sale of Pucara fighter planes to his country depends on Argentina, which says that it will not sell weapons to countries with which it is friendly, such as Iran and Iraq, which are at war with each other.

While visiting the Cordoba International Fair [Feria International Cordoba -- FICO 86], the Iraqi ambassador spoke to journalists about his country's foreign relations, and he recalled that the nationalization of hydrocarbons in 1972 bought about closer relations with all the countries of the world on a base of equality, mutual respect, and peace and justice, following UN resolutions as a guideline. He added that this also led to Iraq's support for national liberation movements in the whole world, the struggle against imperialism, as well as an active participation in the movement of the nonaligned countries.

Regarding relations with developing countries, he remarked that Iraq has proposed at all international forums the creation of a fund to aid the poorest countries and those suffering the consequences of their foreign debt situation. Regarding his country's long war against Khomeini's Iran, he assured that even though Iraq defends itself, it is always willing to sign an honorable peace treaty. He said that unlike Iran, his country has accepted UN Security Council Resolutions No 479 and 582 of 1982.

NEW ARMED FORCES PROSECUTOR INSTALLED

PY182058 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1545 GMT 18 Jul 86

[Excerpt] Buenos Aires, 18 Jul (NA) -- Brigadier Armando Antonio Irungaray was installed at noon today as new prosecutor of the Armed Forces Supreme Council, during a ceremony attended by Defense Minister Horacio Jaunarena, who stated that "there are no new instructions" for Irungaray regarding the trials for human rights violations.

The ceremony took place at the new offices of this military council at 500 25 de Mayo Avenue. Brigadier Pablo Apella, who recently resigned his position as president of this military court, attended the ceremony. [passage omitted]

SIDE CHIEF SAYS SECRET CODE NOT BROKEN

PY211851 Buenos Aires TELAM in Spanish 2141 GMT 20 Jul 86

[Text] Buenos Aires, 20 Jul (TELAM) -- Facundo Suarez, head of the Secretariat for State Intelligence (SIDE), speaking about the alleged theft of a secret code from SIDE's branch in Geneva, today said that the code had not been broken and there was no evidence to suggest that an attempt to sell it had been made. Suarez issued a communique in which he stated that this conclusion stems from the initial phase of the investigation into the behavior of citizen Pablo Valle, SIDE's representative in Geneva.

The communique added that Pablo Valle was appointed within the framework of a reorganization conducted with the official objective of ensuring pluralism among state officials. According to the communique, since the reorganization has been part of the institutional policy there are no grounds for attributing to a former presidential secretary, General German Lopez, the appointment of the official in question. The communique concludes by stating that the investigation is progressing according to the nature of the affair. The investigation was launched after alleged administrative and intelligence-related irregularities were reported at the SIDE branch which cooperates with international organizations headquartered in Geneva. The branch in question was under Valle, whose whereabouts are apparently unknown.

LEGAL STATUS OF PILOTS UNION SUSPENDED

PY190111 Buenos Aires TELAM in Spanish 2104 GMT 18 Jul 86

[Text] Buenos Aires, 18 Jul (TELAM) -- Labor Minister Hugo Barrionuevo this afternoon announced that the legal status of the Airline Pilots Association (APLA) has been suspended for 180 days. The minister added that any future negotiations with these workers will be conducted by the Ministry of Public Works and Services. During a press conference held this afternoon, the labor minister explained that his ministry decided to suspend APLA's legal status because it felt that all means and time has been exhausted and still the pilots have failed to relent. Barrionuevo stated that Vice President Victor Martinez has been notified of the decision to suspend APLA's legal status.

CGT Protests Suspension

PY190113 Buenos Aires TELAM in Spanish 1857 GMT 18 Jul 86

[Text] Buenos Aires, 18 Jul (TELAM) -- The General Labor Confederation [CGT] this afternoon sent a telegram to acting President Victor Martinez stating its rejection of the government's decision to withdraw the legal recognition of APLA. The telegram, signed by the CGT Secretary General Saul Ubaldini, states that the government's decision is not compatible with a healthy democratic life concept because the government confers on itself the right to withdraw constitutional and legal guarantees, such as the right to strike exercised by the APLA. Finally, the CGT warns of the danger of such procedures, which not only harm the affected association, but also threaten the entire labor relations system. The CGT describes the government resolution as an open contradiction of international agreements, the law, and the Constitution, thus establishing a distressing precedent against the right to defend professional interests.

FURTHER REPORTAGE ON ANTIDRUG CAMPAIGN, REACTION

Decree on Traffickers, Properties

PY211624 La Paz La Red Panamericana in Spanish 1700 GMT 19 Jul 86

[Text] Shortly before noon today the government released Decree 21346, which establishes sactions against people involved in drug trafficking. After an introduction that includes several considerations, the decree states:

Article 1. The court authorities hearing drug traffic cases under the provisions of Decree 20811 of 22 May 1975 will order that the properties seized from those indicted for such crimes be delivered to the respective state institutions mentioned in Article 2 of the present decree, under the supervision of the Attorney Genral's Office which will prepare an inventory and affidavit, complying with provisions of law of 20 February 1985 regarding the property seized and with the provisions of decree 20372 of 31 July 1975, within the jurisdiction of the Cochabamba Department.

Article 2. The seized property will be delivered, depending on its nature, to the following institutions.

Item A. Weapons, explosives and materiel of a military nature wiil be delivered to the Armed Forces; weapons of the type used by the police, to the Police Command General; planes, helicopters, and aeronautic material, to the Air Force; river boats and navigation material, to the National Police; motor vehicles in general, to the National Police; real estate, houses, apartments, land, and such will be temporarily registered in the Registry of Real Estate under the name of the Interior Ministry.

Item B. All these materials will be used by the National Directorate of Dangerous Drugs Control in the fight against drug trafficking.

Article 3. Drugs will be burned at the site where they are seized in the presence of a representative of the Attorney General's Office and with intervention of a Notary Public; a sample of 10 grams will be taken to be deposited in the Central Bank of Bolivia in order to comply with provisions made in Article 133 of the Penal Code. The Notary Public will make records of this procedures to serve as evidence in legal proceedings.

Article 4. Any material not mentioned specifically in this decree will be delivered to any of the institutions mentioned in Article 1 of this decree, depending on the criteria of the court authority hearing the case, and in accordance with legal requirements.

Article 5. Raw material and chemical substances used in processing dangerous drugs will be sold at market value to businesses that will use them for legitimate purposes under the supervision of the Health Ministry, or they will be burned as provided for in Article 3 of this decree. The proceeds from the sale will be deposited in an account in the Central Bank of Bolivia to be used by the Interior Ministry to cover expenses related to drug traffic control.

Article 6. The material seized will under no circumstance be designated for private use.

Article 7. After complying with the provisions of this decree, the court authority will decide the final destination of the material and property seized; to this end, the institutions that have the material and property in custody will account for them before the judge and make them available for their final disposition, with the exception of the raw materials and the drugs.

Article 8. The final receivers of the seized property are strictly subject to the conditions mentioned in the (aforementioned) two articles. Government officials who do not comply with the corresponding legal dispositions will be punished accordingly.

Article 9. All courts or Departmental Narcotics Offices of the Republic which receive or keep in custody seized goods or property from drug trafficking must make a complete inventory which will be sent to the Interior, Migration, and Justice Ministries within 30 days. In case these offices do not comply with this disposition, they will be prosecuted and punished.

The Interior Minister is responsible for the implementation of this supreme decree.

Border Controls Increased

PY211842 Madrid EFE in Spanish 2254 GMT 20 Jul 86

[Text] La Paz, 20 Jul (EFE) -- Amid widespread opposition to the presence of U.S. troops in Bolivia, the joint antinaroctics struggle was continuing today in Beni Department of the border with Brazil, northeast of La Paz. The border is under close surveillance by Brazilian Border Police, who want to prevent an influx of drug traffickers. Official reports have indicated that three persons, including a 17-year old, have been arrested so far.

The drug bosses have fled, but Brazilian authorities fear that there are still a few large gangs that will try to take advantage of the unprotected borders to cross into Brazil. Thus the border police have increased surveillance.

Meanwhile, the Bolivian opposition is unanimously calling for an extraordinary session of Congress to question the government for allowing a foreign military intervention in a domestic Bolivian matter without the appropriate congressional approval.

Official sources have told EFE that the government is prepared to cope with any interpellation about the arrival of 160 U.S. military advisers who brought modern attack helicopters equipped with infrared optical devices and means of communication suitable for an antinarcotics campaign.

The objectives of the campaign are to break up a network of Bolivian and Colombian drug traffickers who are exporting the narcotics from Beni Department, and to find the modern drug processing factories that are operating in the jungle.

Information Minister Herman Antelo said that the initial results of the antinarcotics operation have been "successful" while political and labor union opposition and the people in general have been voicing their outrage at what they term "open imperialist intervention," which, instead of yielding positive results, is frightening peaceful peasant communities. These sectors have also voiced their support for the questioning of President Victor Paz Estenssoro's cabinet.

Army Occupies Peasant Federation

PY220345 Madrid EFE in Spanish 2150 GMT 21 Jul 86

[Text] La Paz, 21 Jul (EFE) -- The Bolivian Army has occupied the Peasant Union Federation of La Asunta, Yungas region, after about 5,000 peasants demonstrated against the Bolivian-U.S. antidrug operation. The Yungas region in La Paz Department is considered second to Chapare in Cochabamba in coca growing.

A massive peasant demonstration was held in Chulumani on 19 July. Armando Chavez, a leader of the Single Trade Union Confederation of Bolivian Peasant Workers, told EFE that the confederation decided to call for a general mobilization in defense of coca growing after seeing the gradual militarization of the Yungas.

Chavez indicated that the demonstration was opposed by the interior minister, who ordered the military intervention of the Peasant Union Federation of La Asunta, 95 km from Chulumani and 200 km north of La Paz.

Chavez, who last night arrived in La Paz, reported that the Interior Ministry also ordered the arrest of many peasant union leaders, but that many of them escaped. Chavez pointed out that the peasants in Yungas decided to confront the U.S. intervention because they fear that the troops will destroy their coca crops. He added that the peasants "are also frightened by rumors from Beni that the U.S. troops and Bolivian police have burned the houses of some peasants believing that they belonged to drug traffickers."

Chavez also stated that members of the Mobile Units for Rural Areas (Umopar) known as the "Leopards" have already been seen in the region.

Press Workers Demand Withdrawal

PY210241 Paris AFP in Spanish 1533 GMT 20 Jul 86

[Text] La Paz, 20 Jul (AFP) -- The Federation of Bolivian Press Workers (FTPB) today demanded the immediate withdrawal from Bolivian territory of the U.S. military who arrived in the country on 15 July to participate in the fight against drug trafficking.

A documet released on 20 July states that if Ronald Reagan believes that sending troops to Bolivia falls within the supreme duty of the U.S. soldier to protect the security of his nation, then every worthy Bolivian knows that his supreme duty is to mobilize and demand the expulsion of the Yankee troops and to repudiate this government, which is the enemy of the national sovereignty.

The wage-earning journalists also accuse Victor Paz Estenssoro's democratic government of adopting a vacillating position toward drug trafficking and toward the United States. They state that this is due to a lack of overall national policy.

They term disgraceful the document released by the U.S. Embassy in La Paz, which states that the presence of U.S. troops is due to the risk that Bolivian officers will be corrupted by the drug traffickers.

The FTPB believes that the aid received from the drug-consuming powers should consist mainly of purchasing excess coca leaves and replacing coca leaf cultivation with the cultivation of crops that will stimulate Bolivia's agroindustrial development.

In conclusion, the document says the aid in weapons, equipment, and food can only be accepted if it is used by Bolivians, and only if it does not constitute an attack against national sovereignty.

Cocaine Price Rises

PY212114 Madrid EFE in Spanish 1754 GMT 21 Jul 86

[Text] La Paz, 21 Jul (EFE) -- An expert on the drug problem told EFE that the joint operation that U.S. and Bolivian forces are carrying out against Bolivian drug traffickers has made the price of cocaine rise. The source added that the drug traffickers will continue their activities even during the joint operation because these activities will be more profitable despite the increased risk because the price of cocaine will go up considerably. The source also explained that it is quite probable that as of now, mechanized processing of cocaine will be abandoned and it will go back to being a craft.

The source indicated that the handicraft-like method of coca processing, which employs peasants instead of mechanical devices to "mash" coca leaves, is easily dissembled, which means that it is safer.

BRAZILIAN LOAN PERMITS PARIS CLUB REFINANCING

PY212134 Madrid EFE in Spanish 1406 GMT 17 Jul 86

[Text] Brasilia, 17 Jul (EFE) -- Bolivian Energy and Hydrocarbons Minister Carlos Morales today reported in Brasilia that Bolivia has refinanced part of its debt to the so-called Paris Club by obtaining an extension on its debt with Brazil. Morales led a Bolivian delegation this week to Brasilia to refinance Bolivia's debt with Brazil. The Brazilian Central Bank, through its representative at the Paris Club, will sign a document tomorrow granting Bolivia a 10-year extension to pay off its loans and a 4-year grace period for the nearly $1 billion Bolivia owes to foreign governments.

Morales said that the Brazilian Central Bank had not signed an earlier agreement between the Paris Club and Bolivia because Brazil already gave the La Paz government an extension in 1983. Bolivia owes Brazil $255 million, of which $155 will be included in the extension agreed upon by the Paris Club.

The Paris Club is a multigovernmental organization, headquartered in Paris, composed of creditor countries which granted loans to the developing and Third World countries. Two years ago Bolivia negotiated an extension with the Paris Club to pay its foreign debt, but Brazil, one of its main creditors, did not initially accept the conditions of the agreement. According to the information available in Brasilia, the Bolivian foreign debt totals about $4 billion.

BRIEFS

NATIONAL EMPLOYMENT COMMITTEE -- The Bolivian Government has created the National Employment Committee to work under the National Council for Economic Stabilization and Reactivation. The ministes of Finance, Planning and Coordination, and Labor and Labor Development will cooperate with this committee, whose main objective is to promote programs and projects to reduce the unemployment rate in Bolivia. [Excerpt] [La Paz EL DIARIO in Spanish 4 Jul 86 p 3 PY]

FAR CREDIT -- The Andean Reserve Fund (FAR) -- has granted a $100-million credit to Bolivia. The credit will be used to support the balance of payments and the economic reactivation. [Excerpt] [La Paz EL DIARIO in Spanish 5 Jul 86 p 1 PY]

FOREIGN MINISTER'S UPCOMING TRIPS REPORTED

PY211805 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 21 Jul 86

[Text] In October Brazil will begin a diplomatic offensive in Africa. It has been confirmed that Foreign Minister Abreu Sodre will visit the African continent in October. Four countries, considered leaders in the fight against racism in that continent, are included in the itinerary. They are: Angola, Botswana [as heard], Nigeria and Cameroon.

Itamaraty spokesman Ruy Nogueira has given further details of the itinerary of the visit:

[Begin Nogueira recording] The first country to be visited will be Angola, probably from 13-16 October, but these dates have yet to be confirmed. The visit to Angola is undoubtedly important because it will also be a preparation for President Sarney's visit to that country next year. After Angola, Minister Sodre will visit Zimbabwe, whose capital is Harare on 17, 18, and 19 October. The next country to be visited will be Nigeria, where in Lagos Minister Sodre will have a tight agenda on 20, 21, and 22 October. As you will recall, Nigeria is our number one trade partner on the African continent, our second largest oil supplier, and an important market for a wide range of Brazilian manufactured export goods. Minister Sodre will then go to a French-speaking African country, the Cameroon, whose capital Yaounde he will visit on 23 and 24 October. [end recording]

In addition to Africa, Minister Sodre this year will visit Ecuador, where he will meet with Brazilian ambassadors to the countries of the Amazon Pact. He will also go to Colombia to attend the inauguration ceremony of President Virgilio Barco; to Uruguay, where he will attend the GATT meeting; and to the United States, where he will open the UN General Assembly in September.

GOVERNMENT TO EXPAND DRUG AGREEMENT WITH U.S.

PY181738 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 18 Jul 86

[Text] Justice Minister Paulo Brossard has said that the Brazilian Government is going to expand the agreement with the U.S. Government to fight drugs.

The minister added that the current agreement is restricted to drug traffic and that the Brazilian Government believes that the prevention of drug addiction and the recovery of addicts are also very important. The minister said that the drug problem has no borders and that he has not received any proposals for a joint military operation against drugs, as is happening in Bolivia, which is receiving aid from the U.S. Army.

In Corumba, the Federal Police are concerned over the possibility that coca growers and cocaine producers will invade the city in an effort to escape from the drug repression in Bolivia. The local government has put all its agents at all the access points to Corumba. The police are also strictly checking passengers travelling by air and land.

FOREIGN MINISTER TO 'ANALYZE' GELBARD REMARKS

PY211606 Santiago Television Service in Spanish 0030 GMT 20 Jul 86

[Excerpts] Chilean Ambassador to the United States Hernan Felipe Errazuriz today stated that the return to democracy is an aspiration of the Chilean people and that no country has the authority to interfere in its domestic affairs. However, the Chilean ambassador stated that there are some improvements to be made in order to strengthen Chilean-U.S. friendship.

[Begin recording] [Reporter] Chilean Ambassador to the United States Hernan Felipe Errazuriz has said that in his statements, U.S. Deputy Assistant Secretary of State Robert Gelbard voiced his respect for the Chilean people and for their self-determination. Errazuriz said that Gelbard is a very distinguished official and that he was very happy that he had visited Chile. The ambassador made it clear that Gelbard had not made any requests of the government, and that when he states that the United States supports a prompt and effective transition toward democracy, he is just making a comment.

[Errazuriz] The United States regards as something positive the transition toward democracy and it also regards as something positive and necessary the adoption of measures designed for that purpose. Among these measures are the approval of the electoral registries, the law on political parties, and other necessary measures which are contained within the political program of the 1980 Constitution. In the first place, no foreign country has the authority to interfere in Chilean domestic affairs. No country, without any exceptions. The size, or international influence any country may have does not give that country any special authority to interfere in Chile. In the second place, the desire to return to democracy is an aspiration of the Chilean people, an aspiration which has existed since our independence and which is constantly expressed in all events in which Chile takes part.

[Reporter] In referring to the current Chilean-U.S. relations, he mentioned the existence of legitimate and objective differences in interests and of a cultural nature, but that above these differences the two countries share very clear values that permit an understanding.

[Errazuriz] There are also some improvements that we should carry out, that we should strive to achieve, and which lead us to believe that traditional friendship will become stronger as time passes.

[Reporter] When he was asked about the U.S. State Department criticism of the situation of human rights, he said that Chile is a country like any other, it has problems in that regard and is confronting them with realism.

[Errazuriz] In this regard we must, in the first place, take into account the creation of the Government's Human Rights Advisory Commission, and the desire and interest to cooperate, right from the beginning, in the investigation of public incidents that have made a strong impact, such as the tragic death of Rodrigo Rojas. [passage omitted] [end recording]

In a closed-door ceremony, Foreign Minister Jaime del Valle today closed the ambassador's meeting which began last week at the Diplomatic Academy. The minister termed the meeting highly positive, and said that it resulted in an enrichening exchange of opinions due to the number of concerns voiced by the Chilean representatives abroad.

[Begin recording] [passage omitted] [Reporter] Del Valle also stated that he will analyze in detail the statements by U.S. Deputy Assistant Secretary of State Robert Gelbard because they fully reflect the U.S. State Department's way of thinking. He voiced the opinion, however, that Gelbard's statements are in keeping with the U.S. style when visiting a foreign country, and that an opinion, like it or not, has an influence on the domestic policy. He also agreed with Gelbard that there is a climate of distrust in Chile and stated that all Chileans should strive to do away with this climate. He ended his statements by explaining that the president of the Republic did not recieve Gelbard because it was not appropriate. [end recording]

JUDGE RELEASES 17 OF 25 JAILED SOLIDERS

PY220238 Madrid EFE in Spanish 0221 GMT 22 Jul 86

[Excerpt] Santiago, 21 Jul (EFE) -- Judge Alberto Echavarria today released 17 of the 25 soldiers whom the Army had placed at his disposal on 18 July for alleged participation in the case of the two youths who were burned alive. The 17 soldiers were part of a group of uniformed men who participated in the incident. The judge who is investigating the case in order to punish the guilty has ordered that three officers and five noncommissioned officers remain in custody in free communication with the court. [passage omitted]

PINOCHET RULES OUT SELF-NOMINATION FOR NEW TERM

PY211522 Paris AFP in Spanish 1501 GMT 21 Jul 86

[Excerpt] Santiago, 21 Jul (AFP) -- Chilean President General Augusto Pinochet today said that he will not nominate himself for the new 8-year term in office starting in 1989. Opening a meeting of mayors in Santiago, the military ruler said that the name of the nominee will be proposed by the commanders in chief of the Armed Forces branches and that it will be up to the people to approve or reject it through a plebiscite. [passage omitted]

LAWYERS GROUP WANTS MILITARY CHIEFS TO RESIGN

PY210323 Madrid EFE in Spanish 1548 GMT 20 Jul 86

[Text] Santiago, 20 Jul (EFE) -- The Seventh National Congress of Chilean Lawyers, which was held over the past 2 days in Santiago, concluded today with a vote that calls for "the immediate resignation of the Army's top commanders." After evaluating the current Chilean situation, the leaders of the Lawyers Association of Chile, which is headed by Raul Rettig, a former minister and congressman, have also agreed to publicly request the resignation of the Army's top commanders because that armed institution "is based on the principle of the chain of command."

Another resolution approved by the lawyers during their congress concerns the case of the young people who were burned by military men, according to witnesses. They agreed to propose the "creation of an international commission of democratic personalities to collect data, examine it, and hand down a decision." On the same topic, the Chilean lawyers have agreed to ask the Inter-American Human Rights Commission to create "an ad hoc group to visit Santiago and investigate the case."

AD CALLS FOR ESTABLISHMENT OF NATIONAL CONSENSUS

PY182303 Santiago EL MERCURIO in Spanish 16 Jul 86 p C3

[Text] The self-styled Democratic Alliance (AD) has appealed to those who want the return of democracy in Chile to establish a "great national consensus."

AD President Enrique Silva Cimma said this yesterday morning in a long meeting at the Radical Party [PR] headquarters during which he read an AD statement.

The AD statement says that this consensus is necessary "to be able to confront the present crisis." It adds that "only democrats can offer a path to Chile. Let us assume this important responsibility in a decisive manner."

Silva Cimma noted that "the country has been informed by President Pinochet of his will to remain in power until the next century."

The AD statement reads: "The increasing chaos and violence is the result of the refusal to allow Chileans to participate in political activities in a democratic manner, in keeping with a tradition that is 160 years old."

It adds that the president "assumes his responsibility before Chilean history for the increasing polarization of Chile, which will turn into a fratricidal war between Chileans."

The AD proposes "a real path that will lead to the implementation of an effective democratic system. The Armed Forces must ponder the serious situation that will result from the increasing repression they will have to unleash on the people if they want Gen Pinochet to stay in power until the year 2000."

Asked about the vote by the PR against his expressions in favor of holding a dialogue with the president, Silva Cimma said that "the vote by my party is, to a certain extent, in agreement with the position that it is impossible to negotiate with Gen Pinochet. You must remember that during a previous press conference, I accepted this possibility in order to be able to find a peaceful solution to the problem our country is confronting."

He added: "But this statement was made before the president made the speech in which he denied us any possibility in this regard. Consequently, any chances of achieving a peaceful solution through a meeting with the president are exhausted."

About the establishment of a broad coalition of parties based on the AD and the National Accord, Silva Cimma said that "basically, this appeal by the Christian Democratic leader is within the framework of the points we have just read since we call on the great national political spectrum to achieve much-needed unity in order to safeguard Chilean democracy."

About the establishment of an alternate political program, Silva Cimma said that the AD has been studying this issue for some time.

The PR also stated yesterday that "the country has witnessed with astonishment" what was said by U.S. Senator Jesse Helms who, according to the PR, "with distorted, narrow-minded, and incomplete vision, blames 'communism' for all the evils our country is experiencing, thus ignoring the existence of a vast majority of Chileans who request and demand the restoration of democracy."

GOVERNMENT REJECTS AMNESTY INTERNATIONAL REPORT

PA210449 Madrid EFE in Spanish 2307 GMT 18 Jul 86

[All quotation marks as received]

[Excerpt] Bogota, 18 Jul (EFE) -- The report issued by Amnesty International accusing the Colombian Armed Forces of carrying out a "dirty war" which could have resulted in the deaths of 600 people during the first 6 months of this year, was vigorously rejected by the Colombian Government and high-ranking military officers today.

The report released in London yesterday charged that Colombian Armed Forces with carrying out a "campaign of kidnapping, torture, and political murder," that is perpetrated by paramilitary groups, and "military squads," in which members of the military institute could be involved. According to Amnesty International, the victims include: guerrillas, lawyers of those who are persecuted, human rights activists, Indian leaders, homosexuals, transients, and people who illegally occupy certain areas. Amnesty International adds that "the military men rejected judicial appeals to stop the bloodshed."

Foreign Minister Augusto Ramirez Ocampo regretted the release of this document and said that it is "paradoxical" to make reports of such outrages in Colombia, when the country was chosen unanimously to preside over the UN Human Rights Commission in Geneva.

In Cartagena, Ocampo told the news media: "You can see that it would be unimaginable for all the countries of the international community to agree on choosing Colombia as the president of the human rights commission, if they had doubts about Colombia's conduct in that respect."

Defense Minister General Miguel Vega Uribe said that he had not seen the text of the report, which he described as "incomplete", and he referred to news dispatches he described as "part of an international campaign to discredit the Colombian military men."

Gen Vega Uribe said affably: "To give an opinion, I have to know the whole content of the report. From what I read in the papers, the report looked incomplete to me. This could be due to the transcription, but the truth is that I did not see any report on the 600 murders committed by the guerrilla movement last year. I will wait for the entire report.

General Augusto Moreno Guerrero, the commander in chief of the Colombian Armed Forces described Amnesty International as an organization "manipulated by extremists. He added that the organization lacks seriousness, and that it only seeks to change democratic systems.

Gen Moreno Guerrero stressed that the Colombian Armed Forces "will not allow that organization to play with their prestige. Even though he admitted the "possible existence" of paramilitary groups, he said: "The Armed Forces has nothing to do with them."

General Jose Nelson Majia Henao, the assistant adjutant general of the Armed Forces said that one alleged politically persecuted man cited by Amnesty International is "no more than a despicable kidnapper."

In the report, the international organization called on the Colombian authorities to "protect the life" of Guillermo Marin, a member of a Catholic youth association, to stop alleged military orders to torture him.

Mejia Henao said indignantly: "That man is the chief of a criminal band, he is a despicable kidnapper, and I said so a few months ago." Mejia Henao denied that Marin was "a serious person," as the report said. Mejia Henao said that in May he released a military report clarifying the whereabouts of over 100 missing people. I presented overwhelming proof, but Amnesty International says nothing about this."

Lawyer Mario Madrid-Malo, a member of Amnesty International in Colombia, responded to the claims that the report was biased, and said that the report "only refers to official cases, because Amnesty International exclusively investigates abuses perpetrated by governments." [passage omitted]

General Denies Report

PA182132 Bogota Television Service in Spanish 1730 GMT 18 Jul 86

[By Ricardo Canones]

[Text] Today, at the Military School of Cadets, General Nelson Mejia Henao, acting prosecutor for the Armed Forces, said that if Amnesty International has proof of kidnappings, torture, missing people, and more than 600 violent deaths during the last 7 months in Colombia, then it should present them.

[Begin recording] [Mejia] Amnesty International requested of the government that a Mr Guillermo Marin be looked after once he left a house where he attended a Catholic youth Association meeting. You were with me when I informed you that he was the head of a gang of kidnappers. I told all of you. Amnesty International says nothing about this, but they ask the government that he be protected from military abuses, that he not be tortured, and I told you clearly, very clearly, in a written communique which I gave you -- Amnesty International says nothing about this.

[Reporter] It is said that law enforcement agencies have sufficient proof regarding this case.

[Mejia] Let them present it. I offered you the proof; and several reporters went to get this proof. I gave this proof, and now you tell me there are officials that have proof -- let them present it. I am telling you a fact. Whoever has the proof, let him refute me. He is a kidnapper; a rotten kidnapper. That organization that is reputed to be very serious -- and I do not see them as being serious -- say that he is a poor man that when he was arrested was tortured. I already informed the attorney general that he is just a vulgar kidnapper. I believe that this now clears things up.

[Reporter] What about reports that there is a dirty war going on in Colombia?

[Mejia] That is the one I have just explained to you. There are organizations that only want what interests them. They explain what they are interested in explaining, and listen to what they want to hear. Therefore, I believe that to be the dirty war. [end recording]

INTERIOR MINISTER VIEWS MEETING WITH GELBARD

PY211547 Asuncion Radio Nanduti in Spanish 1355 GMT 21 Jul 86

[Text] Following a meeting with Interior Minister Sabino Augusto Montanaro a few minutes ago, U.S. Deputy Assistant Secretary of State for South America Robert Gelbard went to the Defense Ministry, where he will meet Defense Minister Major General Gaspar German Martinez. When asked about the meeting with Gelbard, Minister Montanaro replied:

[Begin recording] [Reporter] Mr Minister, please...

[Montanaro, interrupting] Well, I held a very cordial and friendly meeting with Dr Gelbard and U.S. Ambassador Clyde Taylor. We analyzed the situation in our country and the U.S. desire to continue to be a friend of our country and help us with our efforts to preserve peace, order, and tranquillity. Emphasis was also placed on U.S. support for the struggle against drug trafficking, which is one of the most serious problems affecting our continent. Special U.S. Army troops are cooperating with Bolivia in Cochabamba and Beni to eradicate cocaine production in that country.

[Reporter] Did the talks focus on any special bilateral issue?

[Montanaro] Well, our bilateral relations are at an optimal level and there has been no deterioration whatsoever. The U.S. officials are concerned about certain cases. like those of Mr Laino, Father Arancon, and the closures of the ABC COLOR newspaper. We discussed those issues from a general viewpoint but neither the U.S. Government nor the embassy put forward any specific proposal in this regard.

[Reporter] Was the human rights record on the agenda?

[Montanaro] From a general viewpoint, but no specific case was discussed.

[Reporter] Was the recognition of some Paraguayan unions discussed?

[Montanaro] Well, we analyzed union activities from a general viewpoint. We did not disucss the fact that some unions have not been granted legal status. We discussed the general structure of the Paraguayan Labor Confederation. Thank you very much.

[Reporter] As for Mr Laino, Mr Minister, does that government remain firm...

[Montanaro, interrupting] It remains firm. Thank you very much.

[Reporter] ...in it decision to prevent him from returning to the country?

[Montanaro] For the time being, it does. Thank you very much.

[Reporter] Thank you very much, Doctor. [end recording]

These were the remarks by the interior minister after he met with Robert Gelbard, U.S. Ambassador Clyde Taylor, and U.S. Embassy Political Officer John Martin, who were also at the Foreign Ministry this morning.

PLR President Meets Gelbard

PY212055 Asuncion LA TARDE in Spanish 21 Jul 86 p 10

[Text] Radical Liberal Party (PLR) President Emilio Forestieri met last night with U.S. Deputy Assistant Secretary of State for South America Robert S. Gelbard, with whom he discussed national political topics. "We discussed political topics," Forestieri said, "and we exchanged opinions on current events and on the position of Radicalism within the political struggle."

Asked what specific topics were discussed, Forestieri said: "We spoke about the various aspects of the political spectrum, we spoke about everything." Asked whether Laino's situation had been discussed, Forestieri said: "Of course, it is a part of the overall situation. Now, we have not submitted any type of report. Paraguayan problems are resolved by Paraguayans. Therefore we do not have to submit any type of report. Each sector has its own viewpoint on any given situation."

He also said "an exchange of opinions is always important."

LIBERAL PARTY FACTIONS MEET, BEGIN DIALOGUE

PY190104 Asuncion LA TARDE in Spanish 18 Jul 86 p 10

[Text] The leaders of the four factions of the Liberal Party yesterday evening held a much-publicized meeting that will make history. The purpose of the meeting was to discuss subjects dealing with this party's unity. The meeting began at 2000 at the residence of Ezzio Guggiari and was held behind closed doors. It was organized by the Advocates of Liberal Unity (PUL) [Proponentes de la Unidad Liberal].

After a very long time representatives of all Liberal Party factions came together for this first meeting, which was basically formal. The issue of liberal unity was not discussed in depth.

The meeting was attended by Liberal Party (PL) President Joaquin Atilio Burgos and PL Secretary General Carlos Ferreira Ibarra, and by Radical Liberal Party (PLR) President Emilio Forestieri and PLR Secretary Ramon Lezcano Torres. The Authentic Radical Liberal Party (PLRA) was represented by Juan Carlos Zaldivar and Juan Manuel Benitez Florentin. The Teete faction of the Liberal Party was represented by Carlos Levi Ruffinelli and Waldino Riveros, while the PUL sent Raul Castagnino, Francisco Vargas Pena, Ezzio Guggiari, and Francisco Campos Cervera. Those present agreed to set up a commission of representatives to pursue negotiations with unity in mind.

Asked about the meeting, Carlos Levi answered: "The ice was broken. It was excellent. Dialogue has been launched, and this will benefit not only the Liberals but all Paraguayans."

Zaldivar said: "This unity issue must be handled very carefully, we should be neither optimistic or pessimistic. We must bear in mind that liberal unity is a political necessity and should it come to pass it will be positive for the process of democratization."

GARCIA EXPRESSES SUPPORT FOR SANDINISTS

PY211908 Paris AFP in Spanish 1917 GMT 20 Jul 86

[Text] Lima, 20 Jul (AFP) -- Peruvian President Alan Garcia has expressed the Peruvian people's solidarity with the Sandinist Revolution in its 7 years of anti-imperialist struggle. He said this in a speech he made last night in the city of Chiclayo, 752 km north of Lima.

From this balcony of independence and freedom I greet 7 years of Sandinist struggle, of Nicaraguan achievement, and of struggle against imperialism, the young Peruvian president said in Chiclayo, where he is visiting.

We convey our solidarity, our fraternity, and our support for those who struggle against imperialism, Alan Garcia added from the Chiclayo municipality balcony.

The chief of state, who is in the region to dedicate some new public works, will attend the funeral of former Senator Carlos Macuel Cox, twice member of the National Constituent Assembly and co-founder of the American Popular Revolutionary Alliance [APRA] Party, who died on 18 July aged 84.

Afterward, President Garcia said that just as Peru has raised its voice against the foreign debt problem, it also raises its voice to express solidarity and fraternity with the peoples struggling for their freedom.

Garcia then referred to Simon Bolivar's ideals, and said that the Peruvian revolution is not limited exclusively to its soil, but that it is part of the great ideal of the Latin American nations.

When talking about his presidential task, (he will have been in power 1 year on 28 July, which will be a Peruvian national holiday) he said that it is dedicated to the poor, and the forgotten, because they are our main concern, responsiblity and objective, since this administration is of, for, and by the poor.

After saying that during this year decisive progress has been attained in recovering our national sovereignty, he said: I ratify before you the APRA government's anti-imperialist convinction.

While speaking of the progress attained by his government, the president said that not everything had progressed, there have also been set backs, I accept and sincerely admit this with a profound revolutionary conviction.

About the difficulties within Peruvian industry, he said that most of it is the result of assembly within the nation of foreign components, and that if great quantities are produced then more will have to be imported, which will waste more of our foreign currency.

This is a limiting factor which must be solved in a bold and imaginative manner. It is easy to say that we will control prices and increase the minimum salary. This can be done in a few months, but we must go to the root of the problem, he said.

The revolutionary thing is to attack this problem, he said, this is what we will start doing this year and for this I need the Peruvian people's support and soverign decision.

DEL MAZZO TO HOLD TALKS WITH OIL MINISTERS

PA211747 Mexico City XEW Television Network in Spanish 1600 GMT 20 Jul 86

[Text] Alfredo Del Mazzo, secretary of energy, mines, and parastatal industry, traveled to Europe yesterday to meet with persons in charge of oil policy in the countries of France, Norway, Algeria, the United Kingdom, Nigeria, and Spain. Before departing, Del Mazzo said that the oil-producing countries had to discipline themselves to achieve stability in the international oil market. He said that at present the oil surplus exceeds 1.5 million barrels [per day] and that this has had repercussions in the steady deterioration of the prices of hydrocarbons on the international market.

Del Mazzo said that Mexico's oil policy will be to continue seeking stability in the international oil market. The secretary reported that the Mexican Government will immediately implement an export program for the parastatal sector to diversify the market. He added that the restructuring of the parastatal sector will continue as long as strategic areas are not affected. Del Mazzo will be in Europe for 10 days. On 27 July he will attend as an observer the OPEC meeting in Geneva, Switzerland.

BRITISH LEGISLATORS CONFIDENT IN ECONOMY

FL182059 Mexico City NOTIMEX in Spanish 1826 GMT 18 Jul 86

Mexico, 18 Jul (NOTIMEX) -- English Deputy (Terrence) Higgins has said there is confidence in British financial circles that Mexico will overcome its financial problems.

Higgins, who is heading a delegation of British legislators visiting Mexico to meet with high-level government officials and local deputies, added that the economic policy applied by President Miguel de la Madrid is most assertive.

The 12-member delegation left yesterday for Washington, where they will hold a series of conversations with representatives from U.S. financial institutions and learn their opinions on the Latin American foreign debt. They will discuss Mexico's case specifically, since its economy has suffered from falling international oil prices, and they will learn the financial problems of the United States.

SOVIET OFFICIAL ARRIVES, CALLS FOR PRESSURE ON U.S.

FL190150 Mexico City NOTIMEX in Spanish 2309 GMT 18 Jul 86

[Text] Mexico City, 18 Jul (NOTIMEX) -- Boris Pugo, first secretary of the Communist Party of the Soviet Union in Latvia, said today the international community should exert more pressure on the U.S. Government to make a series of peace and disarmament measures, since it is not fair for humanity to be threatened by a third world war.

Interviewed at the Mexico City Airport, Pugo, who is also a member of the CPSU Central Committee, stressed the importance of a meeting between Ronald Reagan and Mikhail Gorbachev, the Soviet Union's highest leader, to check the arms race and preserve humanity.

He indicated that the present U.S. Administration should understand that space is not a battleground for nuclear bases since that would mark the beginning of the end of the world.

In refernce to the $100 million in U.S. aid to the Nicaraguan contras, the Soviet legislator said the economic support is intended to destabilize the legal Sandinist regime by using irregual forces. If my government supports this Central American country with economic resources and weapons, it is so the Nicaraguans can defend their sovereignty, which is threatened by the Reagan administration, said Pugo, who arrived in Mexico at the invitation of the PSUM [United Socialist Party of Mexico] to exchange opinions.

GOVERNMENT SEEKS TO ATTRACT NEW FOREIGN INVESTMENT

FL181916 Mexico City NOTIMEX in Spanish 1822 GMT 18 Jul 86

[Text] Mexico City, 18 Jul (NOTIMEX) -- The reactivation of new foreign investment in Mexico will occur when the government reaches agreement on the foreign debt and signs an agreement with the IMF. The preceding was said by the president of the Mexican-German Chamber of Commerce and Industry, Horst Herwig, who added that the flight of foreign capital from the country has not stopped; it has merely slowed down somewhat.

Foreign enterprises established on the national territory have reinvested their earnings because they are not ready to stop growing. The foreign firms that have established themselves in Mexico, he said, have reinvested their profits because they are not willing to stop growing or to fall behind technologically.

He said that several small and medium-sized German industrialists want to participate and invest in the Mexican economy, for which reason it would be advisable to draw up a special attractive program to attract outside capital.

Finally, world competition to attract foreign capital has gotten worse because, for Mexico, her chief competition in attracting investments are the United States, Brazil, and even such countries as Japan and China.

PMT ISSUES COMMUNIQUE ON ECONOMIC 'CRISIS'

PA182219 Mexico City EL UNIVERSAL in Spanish 14 Jul 86 p 18

[Communique issued by the Mexican Workers Party, PMT, in Mexico City on 14 July: "The Crisis Is Destroying the Country! Let Us Defend National Sovereignty!" -- uppercase passage published in boldface]

[Text] Three and a half years after Miguel de la Madrid assumed power, the government's economic policy has proved unable to resolve our country's crisis. There is not a single healthy sector in our economy. The predictions made by the PMT before this administration regarding the foreign debt and the oil situatin have unfortunately proved to be correct: The foreign debt has not decreased, nor have oil exports produced the wealth that was expected. On the contrary, the debt and its interest increased, seriously harming our sovereignty. In addition, the drastic drop in international oil prices affected the main source of income produced by export activities, thus provoking severe increases in public expenditures, and dealing a harsh blow to the rural and urban workers' shaky economy, to the social middle class, and even to the small and medium-sized businessmen.

Recently, the president said that it is not advisable for the country to decree a suspension of the payments, and he chose to continue on the same route, thus mortgaging our resources and subordinating them to the plans of foreign bankers, mainly to those of the United States. In view of the failure of the economy policy, Jesus Silva Herzog resigned from the Finance and Public Credit Secretariat. Now, the government has released a new plan. The objectives of the Plan of Incentives and Growth [Plan de Aliento y Crecimiento], PAC, are designed to please and put the IMF usurers at ease. The truth is that all remains unchanged.

The deterioration of the national economy is more obvious due to the unrestrainable inflation. The people truly suffer when buying any kind of product. The deregulation of prices oppose the iron policy of wage freeze. Workers' wages are not even enough for them to provide their families a proper diet, let alone to fulfill other needs such as education, clothing, housing, recreation, and culture. If the Constitution orders that wages must be sufficient to fulfill all those needs, then the present wage scale is illegal. However, businessmen are happy enough to be congratulated. Last year, their profits were 14 billion pesos!

In addition, regardless of the fact that the U.S. currency has been devaluated with respect to some European and Asian currencies, its value increases in our country. Devaluations, which used to be traumatic for the people, have now turned into an everyday event and usually go unnoticed. For each peso that is added to the value of the dollar, the foreign debt increases by 100 billion pesos, enough to pay the minimum wage to 135,000 workers for a whole year.

Unemployment figures are increasing in a threatening way, announcing a possible social crisis. Some 10 million citizens are underemployed, and approximately 4 million unemployed indicate that half of working-age Mexicans are down on their luck, without jobs, or at least without a secure job. Workers of the Monterrey steelworks, of the car, rubber, and other industries are the new victims of the government policy. Even Fidel Velazquez has had to acknowledge with concern that in the last few weeks, 100,00 workers lost their jobs. Today, more than ever, the unemployment security, and the 40-hour work week, with payment for 56 hours, need to be implemented.

The flight of capital abroad has already reached uncontrollable amounts. The U.S. bankers have already said that Mexico is at the top of the list of Latin American countries in flight of capital, with $16.2 billion plundered in just 3 years. That is, this amount should be added to the $42 billion cited by JLP [former president Jose Lopez Portillo] in his last report. The plundering continues! Bad Mexicans, mainly big entrepreneurs, have taken the equivalent of 57 percent of the foreign debt out of the country. They are still threatening not to return that capital unless they receive more sinecures. Therefore, the alternative of controlling the exchange rates, which is necessary to restrain this drain, has been ruled out completely. The national banks, whose resources should be allocated to the agricultural sector and to industrial production, have been turned into a center of financial speculation, through high interest rates and through the very high legal reserve, which has reached 90 percent and which is purely a mechanism for holding the funds allocated to cover the economic holes made by the Government.

Public expenditures have been reduced more, and more, Thus, there is now a reduction, postponement, or cancellation of projects that are necessary to fulfill the social needs: less construction of schools, hospitals, streets, bridges, roads, drainage works, potable water, public lighting, and other services.

As if we did not pay taxes. Moreover, the reduction in the expenditures has left thousands of workers without jobs, especially from the public sector, and they are now part of the millions of unemployed.

The companies, heritage of the nation, are being handed over to the private sector, local and foreign. They are being sold to obtain cash and to meet the IMF conditions.

This economic dismantling openly contradicts one of the basic postulates of the president, because he promised to keep the economy of the state on the right track. Even worse, the doors have been wide open to a bigger foreign control over our economy. The aim is several important enterprises, Siderurgica Lazaro Cadenas, the Mexican Aviation Company, The DINA [National Diesel], and even Telefonos de Mexico are among those on the list for the auction. Moreover, it would be convenient for the United States if Pemex were in private hands.

Likewise, the decision to open the doors wide to foreign investments has a negative effect on the country, because it is put in a dangerous position of dependency and submissiveness, and becomes tied to a future of greater integration with U.S. imperialism.

The country's admission into GATT will have a similar effect. Also, it condemns the small and medium-size industries to an equal competition with transnational monopolies and corporations. The latter will destroy or absorb the former, because the big fish always swallows the small fish: We will have higher unemployment and advance even more toward dependence, submissiveness, and integration of our economy with foreign economies, particularly the U.S. economy. That is the experience of weak countries that have already joined the GATT.

The Mexican countryside is abandoned. The government does not think it deserves priority attention for food production. We are not longer producing to satisfy our own needs, only to feed the cattle and export fruit, vegetables, and other products abroad. Thousands of peasants are abandoning the countryside. In their quest for a better life they go to the cities and, likewise, to the country to the north, to get whatever is necessary to avoid starving to death. Despite the 1910 revolution, thousands continue to demand land and protest against the new landowners -- now disguised and protected by the ominous "agrarian protection." This must be immediately abolished if we want to solve the agrarian problem. Other peasant demands must be immediately fulfilled, such as the ones that will be discussed on Tuesday, 15 July with the president of the Republic.

Despite all this, the government continues to be determined to follow point by point the economic dictates of the IMF. The new secretary of finance has declared that a new rescheduling of the debt is being negotiated. However, experience shows that this is not the solution. He is trying to deny the statement by the preceding secretary of finance regarding the impossibility of paying the debt. Although it is obvious that the foreign debt is unpayable, new Secretary of Finance Gustavo Petricioli believes that it can be paid. Petricioli has said that the payments on the debt will depend on the fluctuations of oil prices. With this, he is saying that he maintains his stubborness of continuing to produce oil to give to the agents of imperialism as payment for the foreign debt. This amount of interest paid every 3 and 1/2 years is equivalent to the amount of oil that foreign companies produced in Mexico between 1901 and 1938. The spirit of nationalization of the oil industry has been betrayed. Pemex should serve for Mexico's development and not for foreign interests.

The economic weakness of the country has put it in a dangerous and vulnerable situation facing imperialism's defiance and ambitions.

National sovereignty and our capacity for self-determination are seriously threatened. The empire imposes conditions which even go beyond the treatment of the usurer with his victim, and it plans to further meddle in our national life. With the pretext of the struggle against drug trafficking, U.S. policemen go all over the country. Meanwhile, in the neighboring country, senators and former ambassadors feel they have the right to give opinions, suggestions, and proposals on our national life. We should reject drug trafficking. However, we should strongly reject meddling by the United States and its allies in our affairs. The agreement of the National Action Party [PAN] with these meddlings shows the true purposes and interests of this party.

The government has opened a "people's consultation" on the possible "adjustments" to the electoral law and to the Federal District's government. The antidemocratic LOPPE [Federal Law on Political Organizations and Electoral Processes] requires too many changes, because it has been designed to favor the control of the electoral processes by the ruling party. The obstacles existing for the formation of electoral coalitions should be eliminated; the presence of a notary in the CFE [Federal Electoral Commission] with the right to vote should be avoided since this is an aberration to favor the manipulation of the votes. A system of proportional representation for the elections of the Congress of the Union, of the local congresses and town councils should be established, as well as an electoral tribunal made up only by the registered parties. The integration of the current Electoral Commission is the source of the electoral fraud. The protection in electoral matters would also help to prevent the frauds. These and other points may be defended today by the left-wing political front and even by the right-wing parties, because the electoral law also affects all of the opposition.

Today, more than ever, the capital city's political life needs democratization. It is unacceptable that in the world's largest city citizens' rights are being curtailed and "popular consultations" are made to give the residents the right to have a local congress, but denying them the right to become a state, and thus elect its governor and local governments [ayuntamientos]. Rights are only partially recognized. However, now is the time to act firmly to conquer the capital city residents' full rights.

The U.S. Government's pressures that we withdraw our solidarity from our Nicaraguan brothers have been exerted through various means. Pressure against the Contadora Group has becme increasingly blunt. Economic blackmail against the Mexican Government is combined with the U.S. Senate's cunning and ill-fated approval of $100 million for the Nicaraguan counterrevolutionary groups. Hence, international laws and regulations, as well as the resolutions of The Hague Court -- the world's highest tribunal of justice -- are violated, turning the government headed by Ronald Reagan into an international lawbreaker.

Political actions and economic conditions that hurt our sovereignty are accompanied by progressive denationalization in the consciences of many compatriots. The ideological influence of the Yankee programs in the mass communications media, mass consumption, as well as the contacts with U.S. citizens at the border exert a daily negative influence that inexorable infiltrates the national conscience. For many years, the PMT has been warning about this dangerous evil that is taking over many of our compatriots. We want to continue to be Mexicans.

The lack of a solid popular organization capable of facing the threats that loom over our nation is a matter of concern. The struggle for the presidential succession within the official party and the government has begun. This portends more difficult times in the near future.

The lack of consensus and credibility in the government and its party have contributed to the development of alternatives from the management sector, whose explicit or implicit purpose is to foment greater U.S. intervention in our national affairs. At the same time, the revolutionary opposition parties have not managed to offer a solid option that will guarantee to the workers an effective defense of their interests. The dispersion and lack of clarity regarding the forms of organization and the incorporation of popular sectors constitute real obstacles preventing the development of a powerful revolutionary current. Trying to achieve the unity of those forces at different levels -- ranging from the similarity of programs in may cases to the creation of a political front and organic unity in other cases -- is a necessity and a revolutionary obligation. Sectarianism the monopoly of the truth, and the mentality that characterizes the judges of the revolution and the revolutionaries can be sacrificed on behalf of building up the largest possible organization of the partiotic forces that Mexico and its workers need.

The conditions for joint work among the popular organizations and parties exist. The greatest possible agreement among the forces must be sought and utilized. The PAC, which does not involve an effective solution to the crisis, the threats and actions against our national sovereignty, the electoral struggle of 1988 which has already begun, as well as the crushing crisis that we are suffering demand, today more than ever, the Mexican people's cooperation to defend our country. The government's policy is destroying the country. We must unite all the workers' forces to seize the political power and to immediately achieve:

THE IMMEDIATE SUSPENSION OF THE FOREIGN DEBT PAYMENTS.
REJECTION OF THE DELIVERY OF PETROLEUM AS AN IMPERIAL TRIBUTE.
A HALT TO THE MASS DISMISSALS.
A PRICE FREEZE AND WAGE INCREASE.
REJECTION OF THE SALE OF PARASTATAL ENTERPRISES.
FOREIGN EXCHANGE CONTROL.
ELECTED GOVERNORS, NOT IMPOSED REGENTS.
AMENDMENTS TO THE ELECTORAL LAW.
THE IMF OUT OF MEXICO.
NO TO THE YANKEE INTERFERENCE IN MEXICAN AFFAIRS.
"ECONOMIC INDEPENDENCE, NATIONAL SOVEREIGNTY, AND REVOLUTION"
THE NATIONAL COMMITTEE

Mexico City, 14 July 1986

NORIEGA ON U.S. 'CONSPIRACY' TO KEEP CANAL

PA210416 Madrid EFE in Spanish 2006 GMT 20 Jul 86

[Text] Panama City, 20 Jul (EFE) -- According to General Manuel Antonio Noriega, there is a conspiracy to prevent Panama from taking over the canal in the year 2000 being advanced by a group of U.S. people who "will attack any expression of nationalism and the Republic's sovereign self-determination."

In an interview published today by the Spanish newspaper EL PAIS, the general, who is the chief of his country's armed forces, ruled out the involvement of the Reagan administration in the plan, while pointing out other groups.

"We Panamanians feel that age-old enemies exist and have reappeared, who want to deny Panama its right to self-determination in its sovereign territory, the canal strip, which is literally wedged in our territory."

Noriega said that the people decided for themselves in the past elections and that "there is talk of fraud on the part of the losers. The losing player is the one who cries foul."

The general, whom the Madrid newspaper describes as Panama's "strongman," said that he will step down "when the [Defense Forces] bylaws say so," but eluded giving dates or the prescribed age for retirement.

Noriega rejected a comparison between the cases of dictators Marcos and Duvalier and Panama. He said: "The system in the Philippines is very different from the situation in Panama, and Haiti is diametrically opposed [to Panama] in its political, military, and professional makeup."

"Our military force is patriotic, progressive, and prodevelopment. It works with its central government for the welfare of communities... That is why we reject that comparison with Manila or Port-au-Prince," he said.

Concerning press reports that the celebrated former Panamanian "strongman" Omar Torrijos had warned the United States that Noriega was a very dangerous man, he said: "That is ridiculous. There is no rhyme or reason for that."

Noriega insisted: "Those of us in the Defense Forces command not only believe that we are, but we are the most faithful interpreters of Torrijos, because we were the ones closest to him, his strategy, and ideas. That is why we are here."

Regarding the U.S. assistance to the Nicaraguan contras, Noriega said: "It is a reaction to a geopolitical concern," while denying that he is trying to provoke Reagan.

In its introductory statements, the EL PAIS interview points out that the army, of which Noriega is chief, "plays the leading role in the political life" of Panama, and cites the serious accusations against the general recently made by the U.S. press, including his involvement in drug trafficking and in the assassination of Hugo Spadafora, a former vice president [title as received] during the Torrijos administration.

The paper says that the "military men close to Noriega see those accusations as 'a conspiracy' encouraged in the United States to prevent compliance with the treaty signed by Omar Torrijos and President Carter to grant Panama sovereignty over the Canal in the year 2000."

INTERNATIONAL DRUG TRAFFICKERS REPORTEDLY ARRIVE

PA211847 Panama City EXTRA in Spanish 21 Jul 86 pp 1, 2

[Text] Bolivian drug czars have been moving to Panama after learning about the operation to seize drug traffickers and to dismantle cocaine processing laboratories that officers from that South American country began last week in conjunction with U.S. soldiers and DEA agents.

It is believed that the cocaine chieftains traveled to Panama in private light planes, clandestinely landing at Paitilla airport [in Panama City] or other landing strips in the interior of the country. They are staying incognito in hotels in the capital.

In view of this situation, DEA agents in conjuction with our country's special narcotics forces have begun to "hunt" the Bolivian mafiosos throughout the national territory. According to leaked reports, there is special interest in capturing Roberto Suarez, one of Bolivia's top narcotics financiers. This is not the first time that drug traffickers have chosen this tourist and financial "paradise," as they view Panama, a place to live.

On 6 May 1984 Pablo Escobar Gaviria and Jorge Ochoa, kingpins in the Colombian underworld, met with Colombian Attorney Gereral Carlos Jimenez Gomez in a hotel in Panama City. They wanted to submit a proposal to the Colombian Government in which they would pay the country's foreign debt in exchange for permission to freely conduct their illegal commercial activities.

Bolivia, together with Peru and Colombia, are the top three cocaine-producing countries in Latin America, and the chief drug traffickers from those countries have had some commercial or friendly ties with some Panamanian citizens.

BOLIVIAN CITIZENS TO BE DENIED ENTRY

PA211407 Panama City CRITICA in Spanish 21 Jul 86 pp 32, 16

[By Mario Martinez Puente]

[Excerpt] The entry of Bolivian citizens in Panama will be suspended as of today, acting Immigration Director Captain Felipe Camargo has informed CRITICA. Although the borders of our country have been closed to citizens from the country in question, this will not include Bolivians bearing diplomatic or military passports, or Bolivian government officials. Capt Camargo pointed out that within the past 72 hours, approximately 200 Bolivians have entered Panama by air as tourists, which represents an unusual amount of activity of this type.

The Bolivians' movement toward Panama and other nations in South and Central America is due to the "joint operation" being carried out by the United States and Bolivia to repress drug trafficking in that country located on the South American highlands.

When asked if he had received any notification regarding the antidrug trafficking operation, Capt Camargo said: "We have not received any warning, and the Bolivian and U.S. authorities have not coordinated with us." The acting immigration director added that due to this lack of coordination by the Bolivian and U.S. authorities, previous measures had not been adopted to control the Bolivians' entry into Panama.

The restriction on the Bolivian immigrants' entry to Panama is a unilateral measure, but it is also international because it is an effort to contribute to the repression of drug trafficking, our country's effort in the struggle against the destructive scourge of drugs.

It is possible that the secrecy of the joint operation precluded [Bolivia and the United States] informing Panama of the movements, which resulted in a lack of coordination. Nevertheless, the Bolivian as well as U.S. authorities should have alerted our country to prevent the "stampede" of Bolivians fleeing to different countries from escaping justice.

Capt Camargo assured CRITICA that Panama is willing to continue cooperating in these international operations to repress drug trafficking as it has always done, and that the Bolivians proven to have debts with the law will be turned over to the proper authorities. [passage omitted]

COSTA RICA

GOVERNMENT COMMUNIQUE REPLIES TO ORTEGA 'ATTACKS'

PA220303 Paris AFP in Spanish 0132 GMT 22 Jul 86

[Text] San Jose, 21 Jul (AFP) -- The Costa Rican Government has termed clumsy and superficial the attacks launched against it by Nicaraguan President Daniel Ortega on 19 July. On that occasion, commemorating the seventh anniversary of the Sandinist revolutionary triumph, Ortega asked the Governments of Costa Rica and Honduras to define themselves "in view of the blackmail" of the U.S. Administration, noting that "either they decide on peace, or they will become instruments of U.S. policy." Also, Ortega invited the Central American rulers to practice an effective democracy and not to repress or assassinate the peasants who are asking for land.

The Costa Rican Foreign Ministry, in a communique released here today, states that that attack "can only be explained as the Sandinist Government's habit of making verbal attacks at a time when an era of peace and cordiality is envisaged among the governments and peoples of Central America." It added that "the unjustified aggression" by Ortega "represents a superficial and partial analysis of the Costa Rican Government," and denies that the current administration is repressing or assassinating peasants requesting land, emphasizing the democracy in this country.

Finally, it states that these statements reflect the "duality" of the Sandinist government, which contrasts with the statement by its representative in Costa Rica appealing for dialogue.

ARIAS SAYS DEMOCRACY NEEDED IN NICARAGUA, CHILE

PA202008 Panama City ACAN in Spanish 1845 GMT 20 July 86

[Text] San Jose, 20 Jul (ACAN-EFE) -- President Oscar Arias Sanchez today insisted on the importance of upholding Costa Rica's neutrality and the need for democracy to be established in Nicaragua and Chile for the good of the Latin American peoples. "There will be no peace in Latin America while there is democracy in nations such as Chile and Nicaragua, which are under dictatorial regimes," the president said in front of a group of policemen to whom he explained his administration's foreign policy.

The Costa Rican government broke relations with South Africa 4 weeks ago because of the lack of democracy and the violation of human rights in that African country, Foreign Minister Rodrigo Madrigal Neito stated on that occasioin. At that time, Arias promised, and he reiterated today before the civil police, that he will "struggle in all international forums for the reign of democracy in America."

Arias Sanches addressed the topic of neutrality after he was told that a Sandinist Army attack on Costa Rican territory on 4 July was "provoked by anti-Sandinist groups." Security Minister Hernan Garron Salazar said that the contras harassed the Sandinists and then took refuge in Costa Rican territory without the knowledge of the authorities.

According to the civil police investigation at the border, the EPS located the insurgents in the border area of Las Chorrerras, and shelled them without bearing in mind that they were in Costa Rica. The incident resulted in the destruction of two houses and the death of several animals, but there were no casualties among the population.

The president addressed "the Central American brothers to whom we have opened our arms in the national territory," asking them not to abuse the hospitality. "I repeat," he warned, "that this very traditional hospitality cannot be used to commit abuses, because peace and neutrality will never be betrayed by our government."

OIJ DISCOVERS NEW DRUG TRAFFICKING ROUTE

PA172258 San Jose Radio Reloj in Spanish 1200 GMT 17 Jul 86

[Excerpt] In an operation carried out by the Judicial Investigation Agency, OIJ, it has been discovered that the Colombian mafia has prepared and trained several persons to smuggle drugs into the country, among them Nicaraguan Juana Gonzalez Lopez, 40. She traveled several times from Costa Rica, and her route was San Jose-San Andres-Bogota. She would then travel froim Bogota to Panama and then by land to the border with Costa Rica, where she would enter Costa Rican territory by land.

Gonzalez Lopez, who smuggled drugs into Costa Rica, used to hide her passport in Paso Canoas and then present an ID card which identified her as a Costa Rican citizen. With this method, she was able to enter Costa Rican territory and reach San Jose, thus evading the immigration authorities.

Moreover, the Costa Rican authorities said the Nicaraguan woman has smuggled 2 kg of cocaine worth $1,000 per kg on each of her trips. [passage omitted]

CENTRAL BANK DEVALUES COLON BY 30 CENTIMES

PA181458 San Jose Radio Reloj in Spanish 1200 GMT 18 Jul 86

[Text] Yesterday the Board of Directors of the Central Bank of Costa Rica decreed the ninth devaluation of the colon this year. Beginning yesterday, the exchange rate is quoted at 56.00 colones to the dollar for buyers and 56.75 for sale on the official market. This new minidevaluation of the colon is for 30 centimes. So far, our currency has been devalued this year by approximately 50 percent. According to statements by officials from the Central Bank, in July 1985 the colon was devalued by the same amount.

The Central Bank maintains its policy of periodic and small variations in the exchange rate. As is well known, this exchange rate policy forms part of the economic stabilization plan started by the preceding administration. Eduardo Lizano Fait, president of the Central Bank, has said that there will be no further changes in this matter with the signing of a third agreement with the IMF.

BRIEFS

NEW ENVOY TO U.S. -- Guido Fernandez, Costa Rican government minister, has been appointed new Costa Rican ambassador to Washington. This was confirmed today by Costa Rican President Oscar Arias Sanchez. [Summary] [San Jose Radio Reloj in Spanish 0100 GMT 17 Jul 86 PA]

GUATEMALA

GUERRILLAS LIST DEMANDS FOR GOVERNMENT CHANGES

PA182322 Panama City ACAN in Spanish 0150 GMT 18 Jul 86

[Text] Tegucigalpa, 17 Jul (ACAN-EFE) -- According to a rebel communique distributed here today the Guatemala guerrilla general command urged the government to make "democratic changes" and set five short-term priority conditions.

URNG, which brings together the four guerrilla groups, also demanded an "effective and real" purge of the "repressive and corrupt" military and police leaders and the elimination of the "paramilitary gangs and the private armies." The URNG seeks punishment for those responsible for planning and committing murders, tortures, and disappearances. The URNG also seeks the dismantling of civil defense patrols. The communique says: "Only by taking the steps that open the path to the construction of democracy can conditions exist for the construction of peace, two elements that cannot be built from a regime of terror."

The guerrillas consider the key points for democracy and peace in Guatemala to be: respect for people's life and limb, human rights, elimination of repression, and economic measures benefiting the people as well as all of society. The communique also asks the Guatemalan Government for "a firm and consistent position against U.S. intervention in Central America and rejection of Ronald Reagan's dirty war against Nicaragua and El Salvador."

The URNG says that according to an analysis of promises by Christian Democratic President Vinicio Cerezo, and due to conditions peculiar to Guatemala, "there are possibilities of stimulating measures that will benefit the people." It notes, however, that "the components of Guatemala's current political situation and the new government's unfulfilled promises suggest that they conceal a broad and profound counterinsurgency process." The rebel organizations adds: "However, Cerezo has a unique opportunity, maybe the only chance to convert what was designed as a counterinsurgency maneuver into a path leading toward a democratization process." The rebel leaders say: "The government is not making any headway, some conditions favorable to change seem to be deteriorating, and the country's socio-economic situation is becoming more explosive."

URNG reports that while the people organize themselves to make demands, repression increases, and that an average of 50 people a month are murdered or declared missing, not to mention those who go unreported. The URNG states that the demands for the clarification of the status of the missing fall on deaf ears, and that the Army has increased its presence, executing entire peasant families, kidnapping people, and destroying villages, "amidst a conspiracy of silence."

The communique claims that the "Guatemalan Army, with U.S. protection, is rapidly rearming itself, concentrating troops, launching operations all over the country, forcibly conscripting and ordering assaults on the zones where there is a guerrilla presence." The URNG finally states that it is willing to respect the Cerezo Government's democratization measures if they are serious and are carried out in the short term, but it will not spot fighting until the situation changes.

HONDURAS

ARMY PATROL KILLS 6 SALVADORAN REBELS

PA220411 Madrid EFE in Spanish 2330 GMT 21 Jul 86

[Text] Tegucigalpa, 21 Jul (EFE) -- Six Salvadoran guerrillas were killed in a clash with the Honduran Army, it was reported officially today in Tegucigalpa. The military clash occurred last Friday in the sector of Los Filos in the western department of Lempira on the Salvadoran border.

The report by the Honduran Army states that the Honduran troops did not sustain any casualties, despite the fact that they were ambushed by the guerillas while patrolling the border. It also states that the slain rebels were buried in the place where they were killed to prevent their being preyed upon by buzzards or jungle animals.

The Honduran soldiers who fought the Salvadoran guerrillas belonged to the special forces and the 12th Infantry Battalion. The report adds that the fighting took place in the same region where a soldier was killed last week when he stepped on a mine made and placed by the rebels.

NICARAGUA

U.S. JOURNALISTS ACCUSED OF SPYING; DEPORTED

PA220332 Managua Domestic Service in Spanish 0312 GMT 22 Jul 86

[Text] Two correspondents of THE WASHINGTON POST, [name of newspeper as heard] linked to the CIA's spying activities, were expelled this weekend from Nicaragua by Interior Ministry [MINT] authorities. MINT spokesman Raul Gordon reported that Glenn Garvin and photographer Sue Ann Miller were deported, via air, to San Jose, Costa Rica, for having ties with the CIA.

Documents' Hotel Changes Cited

PA220418 Buenos Aires REUTER in Spanish 0404 GMT 22 Jul 86

[Excerpts] Washington, 21 Jul (REUTER) -- The U.S. Department of State announced tonight that it will deliver a formal note of protest to Nicaragua tomorrow accusing Managua of attempting to censor the foreign press and for mistreating and expelling two U.S. journalists.

Glenn Garvin of THE WASHINGTON TIMES reported from San Jose, Costa Rica, that he and an independent free-lance journalist, Sue Mullin, were "taken from the streets" of Managua on Friday, held incommunicado in a secret base, and later expelled. The Nicaraguan Interior Ministry stated that both were expelled because they did not have their documents in order, they changed hotels without authorization, and had connections with the CIA.

Garvin and Mullin were in Nicaragua to cover the 7th anniversary of the 1979 Sandinist revolution. [passage omitted] Garvin wrote in THE WASHINGTON TIMES that both he and Mullin were finally put on a plane bound for Costa Rica, after the police confiscated their notebooks, recordings, films, and personal effects. [passage omitted]

In Managua the Interior Ministry spokesman, Oscar Merlo, said both were deported because their papers were not in order and because they changed hotels without official permission. He added that this violates the rules on visiting correspondents.

FURTHER ON REVOLUTION ANNIVERSARY ACTIVITIES

Iraqi, African Delegates Received

PA220132 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 21 Jul 86

[Text] President Daniel Ortega met with Iraqi Justice Minister Mundhir Ibrahim al-Shawi, who was invited to attend the commemoration of the seventh anniversary of the Sandinist peoples' revolution. Ortega also met with a member of the Panhellenic Socialist Movement of Greece and delegates from African countries such as Ghana, Ethiopia, Angola, Tanzania, Mozambique, Congo, Seychelles, and Cape Verde. He also received (?Amil Amayamil), deputy foreign affairs minister for the People's Democratic Republic of Yemen.

Greetings from FMLN

PA201545 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 20 Jul 86

[FMLN communique to the FSLN and Nicaraguan people on the occasion of the 7th anniversary of the triumph of the Sandinist People's revolution]

[Text] Companeros of the FSLN National Direcorate, members of the FSLN, the EPS, and Nicaraguan people, we extend a combatant greeting on this memorable occasion. Today we commemorate the seventh anniversary of the victory of the Sandinist people's revolution. On 19 July 1979, an important step in the Central American revolution was taken. Our people, and all the Central American peoples, learned that our struggles for freedom, justice, independence, and social progress, can be successful. We also learned that the unity of all the revolutionary and patriotic forces is the right path toward victory. The happiness, respect, admiration, and trust in the Nicaraguan people and their vanguard are still fresh and alive. The lessons learned from your tenacity and heroism are highly valued.

But imperialism, the common enemy of the struggle of all the peoples aspiring to achieve true independence, is attempting to crush this example through a war of aggression that has now reached its maximum expression with the recent decision of the U.S. Congress to strongly finance the Somozist mercenaries and assume the direction of the political and military actions.

The statement of the general of free men [Augusto Cesar Sandino] that Nicaragua will be free as long as it has sons who love it, is a reality. To this must be added the solidarity of all the peoples in the defense of the Sandinist people's revolution and the victorious continuity of the revolution in Central and Latin America as well as our peoples' right to exercise their sovereignty and self-determination and to lead their own destinies.

The confidence that the people's forces have in their ability to face and defeat the imperialist aggression is the foundation upon which our struggle advances against the dictatorship, the Duartist government, and the U.S. interventionism that supports it.

We have defeated their plans one by one, and we are advancing toward a general counteroffensive. We believe that this is the most significant contribution that we sons of Farabundo Marti can make in today's conditions, thus paralleling Marti's combat in the Segovias alongside Sandino.

The FSLN and the Nicaraguan people know of our willingness, if necessary, to unite our weapons and our blood in the defense of the revolution, if the imperialist aggression were to take the path of a direct invasion.

Companeros: the combatants, cadres, and militants of the FMLN and all our heroic people embrace you, extend our hands, and tell you: Forward, brothers, in this hour of struggle without quarter against Yankee imperialism, to defend life and land and achieve the peace desired by our peoples. Our war is one of liberation to defeat the war of the oppressors.

Long live the Sandinist people's revolution! If Nicaraguan won, El Salvador shall win! United to fight until the final victory. Revolution or death, we will win!

Message From SRU

PA211536 Managua Radio Sandino in Spanish 0000 GMT 19 Jul 86

[Message from the SRV to President Daniel Ortega; dated Hanoi, 18 July]

[Text] On the occasion of the 7th anniversary of the triumph of the Sandinist people's revolution, we express to you, the Nicaraguan people, the FSLN, and the Nicaraguan Government, our deep feeling of solidarity. The glorious triumph of 19 July 1979 is one of the most brilliant pages in the history of the indomitable Nicaraguan nation. During the past 7 years under the wise leadership of the FSLN and the Nicaraguan Government headed by Companero Daniel Ortega, the Nicaraguan people, raising high their slogan of free fatherland or death and revolutionary heroism, have continued to carry out resounding deeds in the firm defense of an independent and free fatherland and in the construction of a new Nicaragua.

Despite the hostile policy and hysterical and criminal sabotages and aggressions by the U.S. imperialists and their lackeys, Nicaragua continues proud and firm, carrying out its unstoppable development, thus constituting a bright example and powerful source of inspiration for the peoples who struggle for independence and freedom. At the same time, it makes an honorable contribution to the cause of peace in Latin America, especially in Central America, and the rest of the world.

Without giving up its aggressive and warmongering efforts, U.S. imperialism is carrying out new and dangerous escalations that not only grossly threaten Nicaragua's independence and sovereignty, but also cause tension and instablity in Central America, hindering the great efforts carried out in good faith by Nicaragua and other peace-loving forces which seek to achieve a political solution in the region through peaceful negotiations.

As intimate companion in the struggle of the heroic Nicaraguan people, the Vietnamese people feel very happy about the great multifaceted successes of the Nicaraguan people and view them as their own. We are firmly sure that however treacherous and brutal are the schemes and acts of hostility by Yankee imperialism and its lackeys against Nicaragua, they will be defeated ignominously.

Nicaragua has won, is winning, and will totally win because the Nicaraguan revolution has the wise leadership of its vanguard, the FSLN, determination to win, national unity, and the sympathy and the powerful support of all progressive mankind.

We take this opportunity to reaffirm the combative solidarity and the total and unconditional support of the party, government, and people of Vietnam for the cause of the brother Nicaraguan people in the defense and construction of their country.

May the combative solidarity and friendship between our two peoples be increasingly and successfully strengthened and developed every day.

With revolutionary greetings of victory,

[Signed] Truong Chingh, general secretary of the Communist Party of Vietnam Central Committee and president of the State Council of the SRV; Pham Van Dong, chairman of the SRV Council of Ministers; and Nguyen Huu Tho, chairman of the SRV National Assembly.

Egyptian, Other Messages Noted

PA220147 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 21 Jul 86

[Text] The revolutionary government and people have continued to receive pledges of solidarity and congratulations on another birthday of the Sandinist Peoples' revolution. The messages received include one from Egyptian President Muhammad Husni Mubarak, who has reaffirmed his determination in the struggle to defend Nicaragua's sovereignty and peace in Central America and the world.

Bolivian Foreign Minister Guillermo Bedregal Gutierrez; Captain Tomas Ankara, president of the National Council of the Revolution and president of Burkina Faso, and Marcelino Camacho Abad, secretary general of the Workers' Commission of Spain, expressed their solidarity with and their support of Nicaragua in the case of an eventual invasion against the revolution.

YOUTH CONFERENCE HONORS DANIEL ORTEGA

PA220005 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 21 Jul 86

[Text] Members of the World Federation of Democratic Youth, who participated in the "Face the People" program, gave a medal of honor and a document attesting their solidarity with the revolution to Daniel Ortega, president of the Republic and commander of the revolution. The program, which was held at the (?El Vigia) Institute, was attended by more than 600 youths who participated in the International Meeting of Latin American and Caribbean Students and Youths.

Commander Ortega appealed to the youths to strengthen the Latin American unity against the intentions of U.S. imperialism. During the "Face the People" program, various representatives of political and student organizations reiterated their solidarity with the Sandinist revolution. A delegate of Argentina's Peronist Youths reported that they are organizing a drive that includes a trip of a vessel for peace, that will arrive in Nicaragua in October loaded with supplies. Ortega told those in attendance about the efforts of the revolution to consolidate the revolution's project. He made an appeal to strengthen Latin American unity to counter U.S. pressure.

[Begin Ortega recording] Threats are in plain sight, public threats such as the systematic campaign against Mexico and Panama. There have been other, disguised campaigns wich we know very well have been launched against South American governments because the latter have participated in the Contadora Group and cooperated with Nicaragua. The United States has uttered terrible threats. The Latin American youth should strengthen constructive and positive positions from the ground up for a Latin American convergence. [end recording]

TERRORISTS THWARTED; THREAT TO ORTEGA NOTED

PA220424 Managua BARRICADA in Spanish 20 Jul 86 p 12

[Excerpt] On occasion of the 7th anniversary of the revolution, Brigadier Commander Rene Vivas, chief of the Interior Ministry's Operations Center in Managua, reported yesterday that combined EPS and Interior Ministry forces annihilated three groups specializing in terrorist actions. One of these groups was to stage an attack against Daniel Ortega Saavedra, president of the republic and commander of the revolution.

At the command post, where there are maps, communications equipment, and a dynamic operational group headed by Brigadier Commanders Rene Vivas and Lenin Cerna, anything happening in the country is known in a matter of minutes. The effort of several months enabled the EPS troops to annihilate an entire group of 18 terrorists that had managed to enter deep inside the country and to seize more than 40 kilos of C-4 explosives that would be used in sabotage actions. At the same time, Interior Ministry forces captured two individuals involved in a plan to attack President Ortega a few weeks ago.

Another group of terrorists that had prepared a plan to sabotage an economic target in Managua was dismantled and four of its members were arrested. Commanders Vivas and Cerna reported that the enemy planned these actions abroad and tried to infiltrate these groups, which were stopped by the specialized forces before they could carry out their plans. [passage omitted on preparations for 19 July celebration; no further on planned attack on Ortega]

EPS REPORTS ON HELICOPTER CRASH, CASUALTIES

PA211733 Managua Radio Noticias in Spanish 1200 GMT 21 Jul 86

["Dispatch" released by the Defense Ministry's Public and Foreign Relations Directorate on 20 July in Managua]

[Text] 1. Yesterday at 1600, Sandinist Air Force MI-8 helicopter No. 260 crashed, due to mechanical reasons, in Rio Grande de Matagalpa near the town of La Cruz del Rio Grande, from where it had taken off a short while earlier. That town is located 130 km northeast of Bluefields, Zelaya Department.

2. The aircraft was engaged in routine transportation activities from the remote town of La Cruz del Rio Grande to Bluefields when it crashed. As a result of the accident 22 of the passengers died, including 8 soldiers, 6 of whom belonged to the Sandinist War Navy's Atlantic Naval District, as well as 14 civilians. The casualties' names follow:

1st Lieutenant Armando Ortega; Pilot Sublieutenant Aquiles Medina, crew member; Lieutenant Armando Castellon; Lieutenant Alejandro Centeno; Sublieutenant Alejandro Gutierrez; Sublieutenant Jorge Contreras; SMP [Patriotic Military Service] Member Orestes Rocha; SMP Richardo Flores; and civilians Noel Duarte, (Wilson) Rocha, Tomas Acevdo, Santos Castandeda, Carolina Guillen, Vivian Guillen, (Noelis) Buron, [illegible] Guillen, Francisco (Junco), (Doris Winsor), Isabel Hurtado, Julia Perez Sanchez, Guillermina Rivas, and Maribel Hurtado.

The only survivor was copilot Lieutenant Roberto Chamorro Martinez.

This report was issued in Managua on the 20th day of July 1986

[Signed] Public and Foreign Relations Directorate of the Defense Ministry

OPPOSITION DEMANDS REDRESS OF 'MISTAKES'

PA210346 Hamburg DPA in Spanish 0352 GMT 20 Jul 86

[Text] Managua, 19 July (DPA) -- Five political parties -- four of them represented in the parliament -- today demanded the Sandinist government rectify its "mistakes" in order to establish an atmosphere proper for "achieving peace."

On the 7th anniversary of the Sandinist revolution, which is being commemorated today in Nicaragua, the Independent Liberal Party (PLI), the Communist Party of Nicaragua, (PCDEN), the Popular Social Christian Party (PPSC), the Nicaraguan Socialist Party (PSN), and the Central American Unionist Party (PUCA) -- which is the only one not represented in the National Assembly -- have proposed a national unity for dealing with the political crisis affecting Nicaragua.

The parties emphasize that it is basic "to reject foreign intervention and guarantee the self-determination of the Nicraguan people." The parties added: "The commitment to institutionalize an authentic democracy should be fulfilled based on political pluralism, mixed economy, and nonalignment." The parties point out that on the 7th anniversary, there should be a "thoughtful attitude" that will lead to a solution through civic and political means.

The statement does not make any reference to the war financed by the United States or the Soviet military assistance to Nicaragua, although it does make an indirect reference to these.

JORGE RISQUET SPEAKS AT NICARAGUAN CEREMONY

FL211300 Havana Radio Progreso Network in Spanish 1100 GMT 21 Jul 86

[Text] Upon speaking in Managua, Nicaragua, where he is presiding over the Cuban delegation attending the 7th anniversary of the triumph of the Sandinist revolution, Jorge Risquet, member of the Communist Party of Cuba Politburo, said that the Nicaraguan revolution's social work is advancing despite the war and blockade imposed by the United States. Through the daily BARRICADA, Risquet conveyed the greetings and enthusiasm of the Cuban people over Nicaragua's victory against the aggressive plans of the United States.

BRITISH COMMUNIST PARTY DELEGATION VISITS CTC

FL171840 Havana Radio Periodico del Aire in Spanish 1600 GMT 17 Jul 86

[Text] A Communist Party of Great Britian delegation headed by (David Richards), Central Committee member and party secretary, has visited the Central Organization of Cuban Trade Unions [CTC] headquarters. The delegation was received by CTC officials, who briefed them on our country's labor unions before and after the triumph of the revolution.

(David Richards) explained in detail the development of the UK's labor movement and noted how that country's labor class has had to deal with the conservative offensive, which is determined to destroy the labor movement in the country the same way Ronald Reagan is doing the United States.

U.S. 'PRESSURING' BRAZILIAN COMPUTER INDUSTRY

PA172248 Havana International Service in Spanish 2300 GMT 15 Jul 86

["Our America" commentary -- read by Manolo Ortega]

[Text] At the inauguration of the Cuban Genetic Engineering and Biotechnology Center held in Havana recently, SELA Executive Secretary Sebastian Alegrett referred to the various pressures experienced by the nations of the area in their determination to overcome their crises, which are the result of, among other factors, the brutal burden of a foreign debt that amounts to approximately $400 billion.

On that occasion, Alegrett cited the case of Brazil, which the United States is pressuring to get it to stop the development of the local computer industry. The example is valid, especially because this conflict remains latent in the face of the Brazilian refusal to submit to Washington's blackmail.

Two years ago, Jose Sarney's government issued a law protecting the Brazilian computer industry, which is made up of 274 enterprises, 27 of which are transnationals, which employ almost 29,000 workers. The law guarantees that the country's producers will have a broad share of the domestic market, thus permitting the legitimate substitution of U.S. imports.

Washington, devoted to terrorist practices in every field, flatly rejected the Brazilian decision and thus reduced its purchases from that South American country by almost 40 percent.

The Yankee intention is to seize control of 90 percent of the Brazilian computer market with the subsequent standstill and downfall of the local industry. Can one be more sadistic, especially when the White House does not hesitate to practice the worst protectionism in favor of U.S. monopolies?

A few months ago, in a totally unilateral way, Reagan ordered a cut in steel purchases abroad to protect the big Yankee producers. In Latin America, Venezuela, Mexico, and Brazil were seriously hurt by this measure.

Regarding Brazil, it is vital for it to develop its industry and expand its trade. The alleged Brazilian miracle which Washington and the military dictatorships promoted since the mid-1960's left the country with a foreign debt that surpasses $100 billion nd left 70 million poor people in a population of 133 million human beings.

To assume its financial commitments, Brazil must deliver approximately 40 percent of its export revenues to its creditors. Under such conditions and with such a historical background, it is worth asking if there are any doubts about the legitimacy of the Brazilian decision to protect its computer industry. Logically, the answer favors the South American giant.

CASTRO PRESIDES OVER CENTRAL COMMITTEE MEETING

FL211152 Havana Radio Progreso Network in Spanish 1100 GMT 21 Jul 86

[Text] With Commander in Chief Fideal Castro, its frist secretary, presiding, the Communist Party of Cuba [PCC] Central Committee held its second plenary meeting on 17, 18, and 19 July. The meeting was held in Havana's Palace of the Revolution and the agenda included two points: the economic and social evaluation of 1985 and of the first months of 1986; and information and considerations on the results of the plenary meetings held by municipal and provincial committees and party base organizations, which met recently to analyze Comrade Fidel's statements on problems in the directorate of the economc system and other negative phenomena that exist in the heart of society.

In elaborating the last aspects, the results of the recently-concluded provincial enterprise assembly meetings were also taken into consideration. Tomorrow, the daily GRANMA, official organ of the party Central Committee, will summarize the second plenary meeting.

RAUL CASTRO PRESIDES OVER CENTER INAUGURATION

FL121214 Havana Radio Progreso Network in Spanish 1100 GMT 21 Jul 86

[Text] Army General Raul Castro, second secretary of the Communist Party of Cuba Central Committee, has inaugurated in Cumanayagua the Arnaldo Milian Castro Pioneer Explorer's Center, which is located 65 km from Cienfuegos in the Escambray area.

Also attending the inauguration were Carlos Lage, first secretary of the UJN [Union of Young Communists], Humberto Miguel Fernandez, Joaquin Bernal Camero, and Tomas Cardenas Garcia, first party secretaries in the Cienfuegos, Sancti Spiritus, and Villa Clara provinces, respectively, and all members of the Central Committee.

COUNCIL OF STATE APPOINTS NEW SUGAR MINISTER

FL211116 Havana Radio Progreso Network in Spanish 1100 GMT 21 Jul 86

[Text] The Council of State has agreed to relieve Comrade Antonio Rodriguez Maurell from his position as sugar minister and appoint him vice president of the Council of Ministers. The same agreement appoints Comrade Juan Herrera Machado as sugar minister.

ESPIN PRESIDES OVER CHILDREN'S DAY CEREMONY

FL211224 Havana Radio Progreso Network in Spanish 1100 GMT 21 Jul 86

[Text] Vilma Espin, member of the Communist Party of Cuba Politburo and president of the Federation of Cuban Women, has presided over the national ceremony commemorating children's day. The ceremony was held in the Ismaelillo Pioneer Camp in Cienfuegos Province.

Also participating in the ceremony was Army General Raul Castro, second secretary of the Central Committee, who was met by thousands of children from Cienfuegos, Villa Clara, and Sancti Spiritus Provinces.

POLITBURO MEMBER PRESIDES OVER GRADUATION

FL190259 Havana Radio Rebelde Network in Spanish 2300 GMT 18 Jul 86

[Excerpt] Upon speaking at the graduation ceremony at the Nico Lopez Higher Institute today, Politburo member Jose Ramon Machado Ventura called for increased work efforts and requirements. He also said the center should continue in the policy outlined by the party. [passage omitted]

ELECTORAL PROCESS INSTRUCTIONS APPROVED

FL181354 Havana Radio Progreso Network in Spanish 1100 GMT 18 Jul 86

[Text] Luis Mendez Morejon, secretary of the National Electoral Commission, has reported that the series of instructions completing the electoral process in the country has been approved. The electoral process will culminate with the election of deputies to the National Assembly of the People's Government [ANPP].

Mendez Morejon also reported that the commission had studied the progress made in the electoral process, which, he said, is being carried out efficiently.

BALAGUER 'MAY REINSTATE' MILITARY OFFICIALS

FL1211456 Santo Domingo Radio Antillas Network in Spanish 1000 GMT 21 Jul 86

[Text] Mario Read Bittina has said the government of President-elect Dr Joaquin Balaguer could reinstate military officials who were relieved without committing any offense.

The leader of the reformist Social Christian Party has said it would not be unusual if people directly linked to Balaguer's personal security would join the ranks of the Armed Forces next month.

Dr Read Bittina saids no one should be surprised by the new measures adopted by Dr Balaguer in reference to the Armed Forces. The political leader said if the law continues to be violated in favor of the military, the same law could be used to their benefit.

BALAGUER TO UNDERGO EYE TESTS IN U.S.

FL211523 Santo Domingo Radio Antillas Network in Spanish 1000 GMT 21 Jul 86

[Text] Santo Domingo -- Tommorrow, Tuesday, President-elect Dr Joaquin Balaguer will travel to Boston in the United States for medical tests on his deteriorating vision. The president-elect was scheduled for a noon meeting on [word indistinct] in New York City, but the meeting was cancelled. Even though the reason for the cancellation was not announced, it became apparent that it is because Dr Balaguer is expecting the arrival of a foreign delegation. Nevertheless, the foreign delegation's purpose and nationality was not revealed nor were the topics to be discussed with the president-elect.

It was reported that Balaguer will travel on Tuesday at 11:00 a.m., and he will be accompanied by a small delegation from his party, the reformist Social Christian Party.

AREA NATIONS BOYCOTT COMMONWEALTH GAMES

Jamaica Pulls Out

FL182337 Bridgetown CANA in English 2316 GMT 18 Jul 86

[Excerpt] Kingston, Jamaica, July 18, CANA -- Jamaica announced it would boycott the Commonwealth Games to protest Britain's refusal to impose economic sanctions on South Africa, the second Caribbean nation to do so.

Sports Minister Ed Bartlett told reporters the decision was consistent with our position against apartheid and in full recognition of the fact that every avenue has to be fully utilised in the struggle against apartheid.

Zambia and Zimbabwe also announced today they would not send teams to the games, but a third southern African Frontline State -- Botswana -- said it would take part.

Bartlett said the government regretted that the pull-out might initially upset some athletes who had trained long and hard. But we fully believe that the athletes themsleves on reflection, will see that the decision was a correct one, he said. The sacrifice, the minister said, was for the fight for freedom in southern Africa.

Bartlett made the announcement in the presence of Keith Shervington, secretary of Jamaica Olympic Association. We totally understand the situation. We accept this decision as being necessary at this time, he told reporters.

Foreign Ministry officials said Jamaica had informed counterparts in the Caribbean Community (Caricom) of its decision. [passage omitted]

Trinidad-Tobago Joins Boycott

FL190028 Bridgetown CANA in English 2324 GMT 18 Jul 86

[By Debra Ransome]

[Text] Port-of-Spain, Trinidad, July 18, CANA -- Trinidad and Tobago will not be taking part in the Commonwealth Games beginning in Scotland next week, External Affairs Minister Errol Mahabir announced tonight in Parliament. This is being done as an act of complete solidarity with all who struggle against apartheid, Mahabir said. He noted that the southern African Frontline States had met in Harare to consider a boycott of the games in protest at Britain's opposition to trade sanctions against South Africa.

We have not yet received a communication from the Frontline States but based on the information which we have received, we decided that we should show our solidarity now, Mahabir told reporters afterward.

Because we had to take a decision, our team is on hold. Part of the team was supposed to have left this afternoon. ...And we couldn't keep this uncertainty for much longer.

My consultations with the rest of Caricom would suggest that a number of other Caricom countries would follow what we have done this evening, the foreign minister said.

Jamaica also announced its withdrawal tonight joining Bahamas as the Caribbean countries to boycott the games so far.

The Frontline States, Zambia and Zimbabwe, said they would not take part, but a third, Botswana said it would. [sentence as received]

The Trinidad and Tobago Government has never interfered in sporting activities in the past, Mahabir said. The principle factor here was the linkage of the participation in the Commonwealth Games by African countries with Britain's resistance to the imposition of economic sanctions -- that was a very major factor.

We believe that the momentum which has been generated will assist in bringing the necessary pressures in order to dismantle this odious system of apartheid.

It is very necessary for us to co-ordinate our position on matters like these, said Mahabir in answer to expected reaction from the rest of the Commonwealth Caribbean. Government here had been in contact with its Caricom partners over the last two days on the issue.

I believe that, on this occasion, our positions are far better co-ordinated than they have ever been on previous issues, said Mahabir.

Let us hope that this action that is being taken by so many Commonwealth countries and the deliberations of the seven heads of government during August 3-5 will bring up a set of measures, if you want to call them sanctions, which will avoid the need for resorting to this kind of action in the future.

Barbados Decides To Boycott

FL191500 Bridgetown CANA in English 1448 GMT 19 Jul 86

[Text] Bridgetown, Barbados, July 19, CANA -- Barbados today announced it was boycotting next week's Commonwealth Games -- the 17th country to withdraw in protest against Britain's refusal to agree to economic sanctions against racist South Africa. The announcement was made by Foreign Minister Cameron Tudor.

Barbados was the fifth Caribbean Community (Caricom) state to pull out of the July 24-August 2 games, the others being Bahamas, Guyana, Jamaica and Trinidad and Tobago. Well-placed sources in Guyana said today St Kitts-Nevis was likely to follow suit. The Antigua-Barbuda Cabinet is due to meet today on the issue of a boycott, initiated by the African states as part of their campaign to end the dreaded apartheid system in South Africa.

Nine African states along with Malaysia, Bangledesh and Papua-New Guinea, have already announced their boycott. The West African state of Gambia withdrew today, reversing an earlier pledge to participate.

St Vincent Boycotts

FL211256 Bridgetown CANA in English 1443 GMT 20 Jul 86

[Text] Kingstown, St Vincent, July 20, CANA -- St Vincent and the Grenadines today announced a boycott of the Commonwealth Games, starting in Scotland on Thursday.

Minister of State Responsible for Sports Jerry Scott, who Friday put the team on hold while African Front Line Countries debated the question of a boycott, announced the state's withdrawl from the games.

Scott said the decision to boycott the games in protest against Britain's failure to take economic sanctions against South Africa was a collective one, taken by all seven member countries of the Organisation of Eastern Caribbean States (OECS).

The other OECS countries are Grenada, Dominica, St Lucia, Antigua and Barbuda, St Kitts and Nevis, and Montserrat. St Vincent and the Grenadines was to have sent a squad of athletes and boxers to the July 24 to August 2 games. Athletic officials here were not immediately available for comment. It would have been St Vincent's fifth appearance at the Commonwealth Games.

Athletic teams were sent to the games in Cardiff in 1958, Kingston in 1966, and Canada in 1978. St Vincent and the Grenadines first and only medal in the games, a gold, was won by St Vincent-born British based boxer Frankie Lucas at the Christchurch games in 1974.

Grenada Government Issues Statement

FL212348 Bridgetown CANA in English 2317 GMT 21 Jul 86

[Text] St Georges, Grenada, July 21, CANA -- The Grenada Government said tonight that it was joining members of the Caribbean Community (CARICOM) and the Organisation of Eastern Caribbean States (OECS) in boycotting the Commonwealth Games in Edinburgh, Scotland starting on Thursday, because of Britain's failure to impose economic sanctions on racist South Africa.

In a statement, the government said: Because of the Grenada Government's well known abhorrence of the evils of apartheid, it is incumbent upon it to identify with the position taken by our OECS and Caricom partners in our relation to the Commonwealth Games, soon to begin in Edinburgh, as a signal of our deep-seated conviction that the curel and inhuman system of government in South Africa has no place in any society and must be dismantled now.

It added: The government also wishes to re-emphasise its commitment to the cause of freedom and justice for the black majority of South Africa.

Asked whether Grenada was fearful of retalitory action by Britain for its stance, Foreign Minister Ben Jones told CANA that his government was even prepared to tell the British Government it should do more to bring pressure on South Africa to dismantle the apartheid system.

Grenada had planned to send a 17-member team of athletes and boxers to the games. Grenada was the 11th Caricom country to announce a boycott.

GRENADA

FOREIGN MINISTER TO VISIT CHINA, SOUTH KOREA

FL191555 Bridgetown CANA in English 1548 GMT 19 Jul 86

[Text] St Georges, Grenada, July 19 CANA -- Grenada's Foreign Minister Ben Jones will head a government and private sector mission on official visits to China and South Korea in early September, he has announced here.

I hope to discuss matters affecting...economic assistance and trade, Jones said in a radio broadcast. He said he expected to leave Grenada on September 4 and would be away for about 10 days. Jones said the five-member delegation he will lead would was expected to include one representative from the local private sector.

The minister said he attached high significance to the visits to the two Southeast Asian countries. China recently gave Grenada a grant of nearly two million dollars while South Korea has already provided the island with several police cars and sporting equipment, and offered to help construct a complex to house government offices.

The Grenada Government, which came to power 19-months ago, immediately broke off diplomatic relations with North Korea in favour of the South and also opened diplomatic ties with China. Jones said he was still to take up outstanding invitations to visit both Venezuela and Morocco.

HAITI

DESYR APPEALS DEATH SENTENCE FOR MURDER

FL191158 Bonaire Trans World Radio in English 1130 GMT 19 Jul 86

[Text] The first Haitian Duvalier official to be sentenced to death on murder and torture charges has appealed his conviction forcing court officials to postpone proceedings in the second murder trial. Luc Desyr was found guilty Wednesday of torture and murder during the 1957-1971 regime of President Francois Duvalier.

GEORGETOWN WITHDRAWS FROM COMMONWEALTH GAMES

FL191403 Bridgetown CANA in English 1353 GMT 19 Jul 86

[Excerpt] Georgetown, Guyana, July 19, CANA -- Guyana has joined Jamaica, Trinidad and Tobago and the Bahamas in withdrawing from next week's Comonwealth Games in Scotland, over Britain's refusal to agree to economic sanctions against racist white regime in South Africa, it was officially announced here.

A senior government official said Guyana President Desmond Hoyte last night cabled his administration's decision to fellow Caribbean Community (caricom) states, urging similar action in solidarity with several African states which have also announced a boycott of the games, due to open July 24.

Eleven athletes should have represented Guyana at the games, including 800 metres runner Oslen Barr, who won a gold at the Central American and Caribbean Games, lightweight boxer Donald Allison who won a silver medal and bronze medalist, light heavyweight Wilfred Moses. [passage omitted]

FBIS

DAILY REPORT

CONTENTS

Latin America

Vol VI No 141

23 July 1986

ARGENTINA

Alfonsin Returns From Six-Nation Tour B 1
President Linked to Suspected SIDE Agent B 1
  Lopez Confirms Connection B 1
U.S. Policy Toward Nicaragua Termed 'Aggression' B 2
Airline Pilots Association Ends Strike B 2

BOLIVIA

Further Reportage on Joint Antidrug Campaign C 1
  Trafficking 'Breaking Up' C 1
  Minister Explains Authorization C 1
  Groups Express Opposition C 2
  Additional Aid Sought C 3
  Panama Admits Bolivians C 4
Cochabamba Workers Vote on Tax, Foreign Debt C 4
Briefs: Income Tax Department Head C 4

BRAZIL

Agrarian Reform Planners Investigated by SNI [FOLHA DE SAO PAULO 17 Jul] D 1

CHILE

Pinochet Addresses Eighth Mayors' Congress E 1
Cuadra Denies Cabinet Crisis, Comments on Abrams E 2
Foreign Minister Denies Possible Return of Exiles E 3
FPMR Vows Not To Hinder Peace Efforts E 4
Police Repress Valdivia University Students E 4

COLOMBIA

President Betancur Addresses Senate 20 July F 1
Minister on Amnesty International Report F 5
New ELN Guerrilla Attack on Oil Pipeline F 5
ELN Reportedly Abducts 4 Oil Firm Employees F 5
Police Officers Serving as Advisers in Bolivia F 5
2 ELN Guerrilla Units Join Peace Process F 6
UP To Work With Parties, Announces Bills F 6

URUGUAY

LA HORA Interviews Communist Party's Arismendi [6 Jul] K 1

VENEZUELA

- Reaction to President's Economic Measures L 1
    - Finance Minister Azpurua L 1
    - Party Leaders L 2
    - Further Party Reaction L 2

MEXICO

- Credit Agreement Signed With IMF 22 July M 1

PANAMA

- Bolivian Envoy on Entry of Drug Traffickers, Citizens [EXTRA 22 Jul] N 1
- Ambassador in Caracas Says Reporters Not Exiles [LA PRENSA 17 Jul] N 1
- Bishops Issue Document on 'Feeling of Fear' [LA PRENSA 12 Jul] N 3

CENTRAL AMERICA

EL SALVADOR

- General Vides Reports on 1985-86 Achievements P 1
- ACAN Interviews Armed Forces Chief Blandon P 4
    - Contra Aid, Contadora, Condeca P 4
    - War, Reconstruction Plans P 5
- Castillo Claramount on Nicaraguan Charge, Dialogue P 5
- Border Commission Yields Agreement With Honduras P 7
- Rivera y Damas 'Optimistic' About Dialogue P 8
- FMLN Rejects Rivera y Damas Accusations P 8

GUATEMALA

- Congress President Departs for Washington P 9
- Observer Status at UK Talks Favored for Belize [EL GRAFICO 18 Jul] P 9
- Navy Captures 2 Mexican Fishing Vessels P 10

HONDURAS

- Montoya Views Military Training in Border Areas P 10
- Contras, FMLN Reportedly Using Honduran ID Cards P 11

NICARAGUA

- Ortega To Participate in 29 July UN Meeting [AFP] P 11
- Ortega To Attend Balaguer Inauguration P 11
- Return Authorized for U.S. Press Correspondents P 12
- Soviets Donate Wheat; Bread Supply 'Assured' P 12
- Commander Ruiz To Visit Vietnam 24-31 July P 12
- Tinoco Comments on Status of Contadora P 13
- Arce Meets With Ecuadoran Peace Delegation P 13
- Further on L.A. Youth Conference in Managua P 14
    - Cardenal on Church-State Relations P 14
    - Meeting Adjourns P 14
- Torres on Country's Right To Purchase Weapons P 15
- Briefs: Housing Sector Achievements P 15

CUBA

Central Committee Meeting Assesses Economy Q 1
  Castro on U.S. 'Danger' [EFE] Q 1
  Other Topics Discussed Q 2
Government Denies Agreement With Banks Q 6
Delegation Visits Nicaragua's Region 4 Q 6
Peace Movement Greets Sandinist Anniversary Q 7
Bravo Discusses Relations With Mexican Senator Q 7
Conditions for Joining ALADI Called 'Ripe' [Mexico City] Q 7

CARIBBEAN

BERMUDA

Team To Participate in Commonwealth Games S 1

HAITI

Former Duvalier Official Convicted 22 July S 1

ST VINCENT

St Vincent, Spain Establish Diplomatic Relations S 2

SURINAME

Shots Fired at Albina Army Post; Three Wounded U 1

OTHER COUNTRIES

INTER-AMERICAN AFFAIRS

Additional Resolutions from L.A. Parliament [EFE] V 1

DOMINICAN REPUBLIC

Balaguer Postpones U.S. Visit Due to Illness [ULTIMA HORA 22 Jul] V 1

ALFONSIN RETURNS FROM SIX-NATION TOUR

PY222307 Buenos Aires TELAM in Spanish 2234 GMT 22 Jul 86

[Text] Buenos Aires, 22 Jul (TELAM) -- President Raul Alfonsin arrived tonight at 1900 [2200 GMT] at Ezeiza International Airport, concluding an extensive visit to Oceania, Asia, and Europe. The chief of state began his 13-day trip by visiting New Zealand. He then visited Australia, Japan, the Philippines, Saudi Arabia, and Portugal.

PRESIDENT LINKED TO SUSPECTED SIDE AGENT

PY221507 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1748 GMT 21 Jul 86

[Excerpt] Buenos Aires, 21 Jul (NA) -- Former Secretariat for State Intelligence (SIDE) Secretary Roberto Pena today revealed that Pablo Valle, a former intelligence agent who is at large, was appointed to the SIDE "at the suggestion of President Raul Alfonsin in gratitude for his long UCR [Radical Civic Union] membership." Pena stated that Valle "had a clear and untarnished record with the Organization of American States (OAS) as a specialist in negotiations in the diplomatic and cultural sphere."

Pena thus countered a statement made by former Defense Minister German Lopez, who said that Pablo Valle "was appointed 2 years ago by the then SIDE secretary." Pena also said that "the official reports are surprising and contradictory," concerning the presumed malfeasance and SIDE's alleged sale of secret codes to British agents.

"Valle was a trustworthy person with an untarnished and clean record, a very good friend of Alfonsin. It is curious that the government first reported on, and then denied, the alleged sale of secret codes," Pena added.

Pena recalled that "he was suggested to me by President Alfonsin, who pointed out his long UCR membership and his honesty, stating that he was a good man. Thus, he joined the SIDE."

Former Defense Minister German Lopez holds Roberto Pena responsible for the appointment of Valle, who has been charged with committing serious irregularities as a SIDE agent. [passage omitted]

Lopez Confirms Connection

PY221921 Buenos Aires Domestic Service in Spanish 1600 GMT 22 Jul 86

[Text] Former Defense Minister German Lopez this morning said that the Secretariat for State Intelligence [SIDE] secretary, Facundo Suarez, is showing that he does not have the capacity to hold that post. He is not managing well the information on the Radical Civic Union [UCR] internal debate on the case of former intelligence agent Pablo Valle, who is still at large, said Lopez. It is inadmissible, he added, that Facundo Suarez, whose duty is to convey accurate information to the executive branch, is not capable of reporting properly on the facts that led to Valle's appointment.

German Lopez has also confirmed the statement made by former Intelligence Secretary Roberto Pena, who said that Valle was hired as a result of President Alfonsin's mediation. Interior Secretary Facundo Suarez Lastra, and SIDE Secretary Facundo [titles and names as heard] for the discussion that has started over Valle's appointment.

When referring to the SIDE communique which states that German Lopez was not responsible for Valle's appointment, Lopez said that it was a careless move, adding that it is inadmissible to first say that the secret codes were stolen and then deny it as if nothing had happened.

U.S. POLICY TOWARD NICARAGUA TERMED 'AGGRESSION'

PY221515 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0040 GMT 19 Jul 86

[Text] Buenos Aires, 18 Jul (NA) -- A proposal to form a parliamentary commission to back Nicaragua was put forward tonight during a press conference offered in the congressional annex building. The event, however, turned into an act of solidarity with the Central American country because of the seventh anniversary tomorrow of the Sandinist revolution.

The meeting was called by the committee presiding over the peace and solidarity ship that will soon depart for Nicaragua carrying food and clothing. The Nicaraguan ambassador in Argentina, Fernando Guzman Cuadra, was present at the ceremony.

The initiative to form the parliamentary commission to back Nicaragua was promoted by National Deputy Eduardo Vaca (Renewal Peronism) with the support of Miguel Monserrat (Intransigent Party).

During the meeting, Colonel Horacio Ballester, president of the Military Center for Democracy in Argentina (Cemida); the clergyman Jose de Luca (leader of the People's Front); and Colonel Cesar Diaz, retired, (Argentine Latin American Unity), also expressed their opinion on the Central American issue.

Lawyer and newspaperman Rodolfo Matarolo explained the legal meaning of the decision handed down by the International Court of The Hague, in which the U.S. attitude toward Nicaragua was condemned and defined as an "aggression."

All the speakers pointed out the existence in Nicaragua of a "pluralist democracy," condemned the U.S. attitude, and called for supporting the peace and solidarity ship.

Hebe de Bonafini, head of the Mothers of Plaza de Mayo, also was present and joined the presiding committee that is coordinating this initiative. The press conference was closed by Ambassador Guzman Cuadra.

AIRLINE PILOTS ASSOCIATION ENDS STRIKE

PY230318 Buenos Aires Domestic Service in Spanish 0200 GMT 23 Jul 86

[Text] The Airline Pilots Association, APLA, whose legal status was suspended for 6 months by the Labor Ministry, tonight unconditionally ended its 21-day-old strike. An APLA commission, comprising APLA Secretary General Mario (Mazone) and labor inspector Eduardo (Cavalli), will meet with government officials tomorrow.

The strike was ended under the conditions requested by Minister of Public Works and Services Pedro Trucco after a meeting with APLA leaders in the Labor Ministry this afternoon. The pilots canceled a press conference scheduled for this afternoon and urgently called for an assembly which decided by majority to end the strike.

FURTHER REPORTAGE ON JOINT ANTIDRUG CAMPAIGN

PY221530 Madrid EFE in Spanish 1934 GMT 21 Jul 86

[Text] La Paz, 21 Jul (EFE) -- Bolivian Information Minister Hernan Antelo today stated that the strategy being applied jointly by Bolivian forces and U.S. troops in various parts of Bolivia has managed to halt the processing of cocaine. During a press conference, the minister explained that the strategy is aimed at "breaking up the system for processing and marketing cocaine" established more than a decade ago. "We have managed to break the backbone of drug trafficking in Bolivia, breaking up the system for marketing and processing cocaine. Right now, cocaine is being neither processed nor marketed," the minister said.

Antelo made these statements in response to press reports questioning the effectiveness of the plan against drug trafficking owing to the exodus of drug traffickers a month ago and the mistakes made by the special forces who have confused huts of peaceful citizens with drug trafficker camps. The minister also referred to foreign press reports that the joint operation is aimed at capturing Roberto Suarez, who is known as the "cocaine king."

"Roberto Suarez is in decline, but there are other more powerful drug traffickers who will surely be captured," the minister said.

"The drug traffickers are more concerned now about fleeing and dismantling the laboratories than about processing cocaine," the minister added. Reports released today to EFE by drug experts assert that cocaine prices are rising steeply as a result of the joint operations that began on Wednesday, 16 July.

"They surely are hoping to return but that will be difficult, because we have managed to control their strongholds, which have been impregnable until now," Antelo stated.

The "Bol-USA" antinarcotics plan does not have a deadline and will go on indefinitely, which has drawn general protests from Bolivian parties and trade union organizations, which are describing the presence of foreign military forces in Bolivia as "open intervention."

Minister Explains Authorization

PY220331 La Paz La Red Panamericana in Spanish 0000 GMT 22 Jul 86

[Text] Foreign Minister Guillermo Bedregal Gutierrez has stated that the authorization for the entry of U.S. troops was given by his office through an exchange of notes. He explained that negotiations for this operation began in 1983 and that the agreement has great importance in view of the country's need to fight drug trafficking.

[Begin Bedregal recording] The negotiations began in 1983, when the Bolivian Government pointed out to the U.S. Administration the need to prepare a plan to combat drug trafficking. It was a very difficult and painstaking negotiation. It involved a very intricate [words indistinct] to think that the drug-trafficking problem involved simply the destruction of crops. We have seen, for example, that when Mr Whitehead, the assistant secretary of state, was here, we sent a note to Mr Shultz requesting active U.S. participation in eradicating this evil. This process concluded with verbal notes presented by the U.S. Embassy some 15 days ago.

According to the note received by the Interior Ministry, the United States agreed to grant technical and logistical assistance for operations where the drug is being manufactured. [end recording]

The foreign minister added that drug trafficking generates some $2 billion [passage indistinct].

[Begin Bedregal recording] Unfortunately, drug trafficking has a financial power that in Bolivia alone surpasses $2 billion, according to estimates we have at hand. Moreover, this operation is included in the Single Agreement for Struggle Against Drug Traffickers signed at the United Nations in 1961. This agreement includes a 1972 protocol. There are also bilateral agreements between the United States and other countries. [end recording]

The foreign minister added that the operation is only beginning and that the results will be seen later. He added that by no means is the national sovereignty territory. [recorded passage indistinct]

Groups Express Opposition

PY222344 Paris AFP in Spanish 1503 GMT 22 Jul 86

[By Eduardo Paz]

[Text] La Paz, 22 Jul (AFP) -- Strong opposition to the participation of U.S. Army troops along with the local police in the fight against drug trafficking in Bolivia started to take shape today in political and social circles. The most radical position was taken by workers, peasants, and residents of Chapare, an area that produces the raw material for cocaine. They held three demonstrations to request the resignation of President Victor Paz Estenssoro for allowing the presence of U.S. military personnel in Bolivian territory.

The Chapare residents also said they will be unuielding in the defense of the coca plantations because this is their only means of making a living. They added that they will prevent their farms from being damaged by soil-destroying chemicals. The demonstrators called on the military, police and congressment to stand up in defense of the national dignity, and to confront the U.S. forces who, unable to fight drug traffic in their own country, came to destroy the coca crops in Bolivia.

Senate President Oscar Zamora and Chamber of Deputies President Gaston Encinas said that Congress will summon Defense Minister Fernando Valle and Interior Minister Fernando Barthelemy to give explanations, which, if inadequate, will make the government liable to court action.

Opposition congressmen noted that under Bolivian law any authorization for foreign troops to operate in the country must be approved by Congress, otherwise, the Constitution is violated.

Socialist Deputy Roger Cortez said that with this attitude, the United States is extending its borders to the Bolivian Amazon, using drug traffic as a pretext. MIR (Movement of the Revolutionary Left) Congressman Antonio Aranibar added that the government of Paz Estenssoro is opening the doors to foreign intervention in Bolivia.

In turn, the COB (Bolivian Workers Central) and the larger labor unions have expressed concern over the consequences of the presence of foreign troops who seek to destroy coca plantations, in view of their inability to break the imperialist drug trafficking network. Union leaders explained that over 100,000 Bolivians will be affected by the indiscriminate repression, especially farmers and traders in the region of Chapare and Las Yungas, where coca is grown.

Official spokesmen replied that the combined action by the Bolivian Police, the Army and the DEA (Drug Enforcement Administration) of the United States is directed only against criminals.

The demonstrators added that the U.S. presence in Bolivia is in accordance with Ronald Reagan's interventionist policy in Latin America, which is based on his definition of national security.

The 160 U.S. soldiers, who have received orders to shoot if they are in danger, and the 16 DEA experts arrived in Bolivia on 14 July in several Hercules airplanes and a gigantic Galaxy airplane. They are equipped with six armed Black Hawk helicopters and sophisticated communications equipment. These forces, in coordination with the Leopards (elite native troops), rapidly set up bases in Trinidad and Josunai in the Bolivian Amazon, where they began to operate.

Up to now five operations are known to have taken place, resulting in the destruction of an industrial cocaine-processing laboratory and the arrest of one suspect. The Bolivian police reported that 18 people have been arrested in Santa Cruz because of their connection with the drug trafficking network. Finally, residents in Beni the large region where the Leopards and U.S. troops are operating, released a document asking authorities for the immediate withdrawal of the foreign troops.

Additional Aid Sought

PY182051 Madrid EFE in Spanish 1723 GMT 18 Jul 86

[Excerpt] La Paz, 18 Jul (EFE) -- Interior Minister Fernando Barthelemy today stated that the aid the United States is granting to Bolivia for the struggle against drug trafficking is not sufficient and asked for the cooperation of all industrialized countries.

Barthelemy made these remarks while the U.S. Army and the Bolivian police are conducting a joint operation against drug trafficking which began on 16 July. According to reports given to EFE by reliable sources who asked not to be identified, the purpose of the operation is not to detain drug traffickers.

The sources reported that the Bolivian police know very well that the main drug traffickers have fled from the zones where the operation will be carried out. They added that the operation seeks to find and destroy laboratories where the cocaine is manufactured. "Corruption has reached unsuspected extremes. The drug traffickers' power has corrupted authorities, judges, and policemen. The young people and children are also threatened by drug addiction," Barthelemy stated. The minister added that in view of this situation, a budget of $100 million is insufficient.

He stated: The industrialized countries must become aware that drug trafficking is a universal epidemic that mostly affects the Western world, where this activity generate some $200 billion.

We need at least a third of that amount to fight against that evil, Barthelemy stated.

The interior minister expressed concern that drug trafficking in Bolivia places $700 million a year in circulation, more than 100 percent of Bolivia's exports. And we get only $100 million to fight against it. [passage omitted]

Panama Admits Bolivans

PA222256 Paris AFP in Spanish 2219 GMT 22 Jul 86

[Text] La Paz, 22 Jul (AFP) -- The Panamanian Government retracted its decision to prevent the entry to that country of Bolivians with regular passports, in view of the protest from the Bolivian Foreign Ministry, it was reported officially today in La Paz. Officials of the Panamanian Embassy in La Paz were summoned to the Foreign Ministry, where they were asked for explanations -- which they gave -- on the Panamanian Government's decision.

"We wish to reiterate that the Panamanian Government and people maintain their cordial relations with the Bolivian Government and people," Jose Rodrigo de la Roas, charge d'affaires, stated. The official explanation occurred 24 hours after the Panamanian Government decided to ban the entry of Bolivians to its territory to prevent the possible arrival of drug traffickers who might be fleeing from the repression that is being carried out by combined forces of the United States and Bolivia in the northeastern part.

COCHABAMBA WORKERS VOTE ON TAX, FOREIGN DEBT

PY221518 Madrid EFE in Spanish 1124 GMT 22 Jul 86

[Text] Cochabamba, 22 Jul (EFE) -- Workers in Cochabamba Department, 403 km southeast of La Paz, were the first ones to start the poll on the foreign debt and the tax reform bill. About 4,000 workers from the main factories who are organized in 42 labor unions filed their direct, secret ballots in 27 voting stations installed in several labor centers.

Mario Argandona, president of the departmental poll council, has reported that the workers arrive at the polling stations peacefully despite police harassment.

"The watch committees remained alert during the poll, willing to repel any actions against the workers right of opinion," Argandona said. He said that the poll is slower in the Cochabamba provinces due to the lack of infrastructure and materials, but it is massively and calmly taking place.

BRIEFS

INCOME TAX DEPARTMENT HEAD -- Finance Minister Juan Cariaga has reported that Income Tax Department Director Antonio Benavidez has resigned and that the Stabilization Council has designated Transport Minister Andres Petricevic as its high-ranking executive delegate to the department. Cariaga explained that the executive delegates are designated to carry out support work at state-run or mixed companies. Petricevic, who was installed on 9 July, will have the specific mission of putting the general income tax department in order. His new responsibilities will not affect his ministerial duties. [Summary] [La Paz La Red Panamericana in Spanish 1130 GMT 10 Jul 86 PY]

AGRARIAN REFORM PLANNERS INVESTIGATED BY SNI

PY220229 Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 Jul 86 p 6

[By Brasilia correspondent Josias de Souza]

[Text] The National Intelligence Service [SNI] continues conducting investigations on the ideological background of government officials based on their political connections during the military regime. President Jose Sarney, 56, has received from the SNI a file prepared during the administration of former Special Land Related Issues Minister Nelso Ribeiro which says 13 officials who graduated from the National Insitute of Land Reform and Settlement belong to "Communist factions." The file calls them "left-wing militants who have infiltrated the Ministry for Agrarian Development and Reform." This document, obtained exclusively by FOLHA DE SAO PAULO, includes the names of 41 other people, including 4 federal deputies who helped develop the government agrarian reform plan and who have their "political-ideological" backgrounds listed in the SNI files.

To show President Sarney that his agrarian reform plan is "infiltrated by leftists," the SNI investigated the lives of each of the 87 members of the 16 working groups set up by Nelson Ribeiro to draw up the first national agrarian reform plan. The investigations concluded that 41 of these people, that is 47 percent, "are ideological leftist militants." In its files, the SNI has even classified each subject's status, which varies from "former priest" to "friend of Bishop Helder Camara," and even notes clandestine connections with the Popular Action, the Palmares faction of the Revolutionary Armed Vanguard, and the Movement for the Emancipation of the Proletariat [MEP]. The SNI justifies its investigations, arguing that, given its importance, the agrarian reform cannot be "manipulated."

Four deputies are registered by the SNI as members of the "Agrarian Reform Strategy Group," which drew up the first national agrarian reform plan. They are Miguel Arraes and Osvaldo Lima Filho of the Brazilian Democratic Movement Party of Pernambuco; Fernando Santana of the Brazilian Communist Party [PCB] of Bahia; and Plinio de Arruda Sampaio of the Workers Party [PT] of Sao Paulo.

Classifed as an "MEP militant," Plinio de Arruda Sampaio, 53, denied it: "I demand that this be either proved or corrected. My only political connections are with the PT." He added: "During the National Constituent Assembly, it will be necessary to guarantee the citizens' access to these confidential files in order to correct them."

"With this document, the SNI has once again proven its incompetence," Fernando Santana, 71 said without confirming any information written in his file. "They say that in 1971 I was summoned for a military police questioning, but I can tell you that I have been summoned to three of them, and not in 1971 but in 1964." He added: "I hope these people do a better job."

"I do not believe President Sarney is going to accept this type of activity, which is typical of military regimes," said Deputy Osvaldo Lima Filho, 65. He said he is "surprised that this government continues to investigate the political activities of citizens." The deputy added that the only information in the file with which he agrees is that in 1969 he was stripped of his rank of federal deputy by Instituional Act No 5.

Federal Deputy Miguel Arraes, 70, said through an adviser that he would comment on the document "after I see it published in a daily." Arraes is mentioned having been a "subversive" in 1964 and accused of having received PCB support during his electoral campaigns.

PINOCHET ADDRESSES EIGHTH MAYORS' CONGRESS

PY220206 Santiago Domestic Service in Spanish 1700 GMT 21 Jul 86

[Passages within quotation marks recorded]

[Excerpt] Opening the eighth national congress of mayors of the country today, President Augusto Pinochet stated that what he said in Concepcion does not contradict a single point of the 1980 Constitution. He also denied that he had nominated himself for a new presidential term, as was reported by some opposition leaders.

The president of the republic made this comment during an address to 394 mayors from throughout the country, who are in Santiago for the eighth congress of mayors. The president chaired the opening ceremony and made an important speech, during which he urged mayors with more seniority in office to share their experience with the newer ones.

He told them that the mission entrusted to them by the new institutional order demands effective knowledge of regional politics, as well as everyone's capacity, dynamism and effectiveness. He also urged them to work for the good of the community.

[Pinochet] "The authentic representatives of the community must work unceasingly for the institutional objective the country has established. On this matter there is no room for doubt or hesitation, much less for uncommitted officials. It is up to you to confront those who promote a smear campaign against the government. You must act in order to continue meeting the goals of social and economic progress set by the government."

The president added that this project has acquired more importance to guarantee the stability and strength of the institutional order we have built in compliance with the commitment assumed to Chile.

He said that in 1973 the country began a period in its history of consolidating freedom, and we will do everything demanded by our responsibility to achieve that goal. The chief of state then discussed the government's intentions after 1989.

"I also want to discuss a matter that requires explanation. A few days ago, on greeting a group of volunteer ladies in Concepcion, I referred, among many things, to the extension of the government beyond 1989. What I said on that occasion by no means contradicts a single point of the Constitution because I was referring to ideas provided for by the 1980 Constitution. Namely, I was saying that after an initial 9-year period, the commanders in chief of the Armed Forces, and the director general of the Carabineros, will propose for a new 8-year period a candidate who could be either accepted or rejected by the people. Thus, the Constitution establishes that the people will decide whether this government's work will go on beyond 1989, electing a new government with characteristics similar to the current one for a new presidential period during which the laws that are being prepared will be fully implemented."

The president then referred to those who have asserted that during his remarks in Concepcion he implicitly nominated himself for a new presidential term. He categorically denied any such candidacy, and harshly criticized those politicians who are greedy for power.

"I magnanimously admit that I failed to say that a new 8-year presidential term will be implemented within a full democracy, having taken it for granted that it was understood, because I believe that the people are wise. It seems unnecessary to point out to you that most politicians, with few exceptions, have jumped up and distorted my words. They said that I have launched my presidential candidacy. [applause]

"Gentlemen, anyone who reads what I said in Concepcion will find that there is no such candidacy, especially not now, because many things can happen in the remaining 3 years. During this period we must continue to fight for our country, and thus honor our work.

"I am not announcing any such personal candidacy, especially not to that pack of ambitious politicians who do not conceal their greed for power, using all sorts of tricks, agreements, pacts, etc., as we have seen in the past and continue observing nowadays.

"They have tried by all means to affect us with their opinions and objectives. They have knocked on all doors and have adopted a thousand forms of pressure. One day they are arrogant, and the next they are crawling. They have no principles. Finally, they have openly resorted to religious persons and atheists as well, to national and foreign political demagogues, to rascals and lackies. [applause]

"Gentlemen, I am not fully expressing all my thoughts out of respect and fear of offending this learned audience. But I do want to make it very clear that this government has set a course for itself since the beginning, seeking the absolute and total rejection of totalitarian ideas. We will never accept them, although they are presented in the best possible manner." [applause]

He said that the government will never accept agreements with the opposition for a bitter democratic struggle, as proposed by some groups who call themselves democratic. He added that Chile's single problem is whether to have order or chaos, and that the people will have to decide whether to return to the chaos of 1973 or to have democracy as a way of life under the leadership of a democratic government with authority and with no compromise whatsoever.

We are the first ones to reject the idea of politicking by political parties, we call for a national democracy with no collusion and without selling Chile, we want democracy, he concluded, but a Chilean democracy.

CUADRA DENIES CABINET CRISIS, COMMENTS ON ABRAMS

PY222147 Santiago Domestic Service in Spanish 1700 GMT 22 Jul 86

[Passages within quotation marks recorded]

[Text] Francisco Cuadra, the minister secretary general of the government, has emphatically denied any Cabinet changes. Cuadra was approached by the press regarding current national events. The first question referred to the insistent rumors about a cabinet crisis.

[Cuadra] "They are nothing but rumors. There are sectors which occasionally spread rumors of a political nature as an exercise. I have heard rumors for along time and the only thing [words indistinct]"

Cuadra was also asked about the declaration of the European Parliament about Chile. That parliament stated that some action should be taken against our country. In this regard Cuadra said:

"Parliaments throughout the world, as well as our own Congress until 1973, are accustomed to making all kinds of declarations which are absolutely irrelevant, and many of their members are guided by domestic politics. Therefore, we do not pay any attention to them."

The case of the youths who were set afire was also an issue Cuadra discussed with reporters. Cuadra was asked about the criticism by opposition sectors, which mentioned the possibility of political consequences of this case. The opposition has compared this case with another case involving three communists who were kidnapped and then murdered just over 1 year ago.

"It is only natural for them to make a political issue of a case that is being investigated in the court. A basic study of the two cases will lead us to radically different conclusions. Therefore, I believe that the opposition is not making a calm and objective assessment, but rather a premature evaluation based on its political position. We should wait for the process to develop in accordance with the law. This is the government's position and it is what really matterrs to the community."

Regarding the document released by bishops about the causes of violence, Cuadra said that it is currently under study. In refernce to the comment by Elliot Abrams, U.S. assistant secretary of state for inter-American affairs, regarding the unity of the Armed Forces, Cuadra said that U.S. spokesman talks too much about too many things and that he does not know the real Chilean situation. Cuadra was asked again about the alleged involvement of Army soldiers in the case of the youths who were set on fire.

"I would prefer to wait for the court decision on this issue. I believe that some opposition sectors acted with great irresponsibility by making charges without knowing all the facts and before the judge made his final decision or the other courts had a chance to hear the case. Only after the courts decide what really happened can charges be made. Whatever is said before that can be considered opinion, based exclusively on political viewpoint."

In conclusion, Cuadra said that the Army first denied any involvement of Army soldiers in that event because the investigation conducted at that time did not indicate any involvement, but that as the investigation continued the Army decided to put at the disposal of the court a group of soldiers who reportedly participated in that incident.

FOREIGN MINISTER DENIES POSSIBLE RETURN OF EXILES

PY230250 Santiago Radio Chilena in Spanish 2300 GMT 22 Jul 86

[Excerpt] Foreign Minister Jaime del Valle has stated that nothing has changed regarding exiles, and that no special list should be expected because neither the Interior Ministry nor any other authority has released any report on this issue. The foreign minister was referring to remarks made by the Chilean ambassador to Colombia, (Alvaro Salvadores), who spoke about a softening of government policy in this respect. Moreover, the Foreign Ministry has presented new records to the UN special observer on the latest events in the country. Reporter Jose Francisco Contreras has further details on this. Good evening Jose Francisco.

[Begin Contreras relay] Good evening. Foreign Minister Jaime de Valle had to explain remarks made yesterday by the new Chilean ambassador to Colombia, (Alvaro Salvadores). who reported on a new evaluation of the issue of the exiles and a softening of the policy in this regard to facilitate the diplomatic work of ambassadors.

Del Valle stated that the Interior Ministry is continuously evaluating this situation which he said has allowed the periodic return of exiles to the country.

Asked whether a list of exiles who might be allowed to return to the country will be released in the near future, the foreign minister stated:

[Begin Del Valle recording] No. I think we have to think about the normal results of the evaluation made by the Interior Ministry. There is nc reason to think about a special list. There was no mention of this matter, either by the Interior Ministry or by any other authority. [end recording] [passage omitted] [end relay]

FPMR VOWS NOT TO HINDER PEACE EFFORTS

PY221501 Madrid EFE in Spanish 0428 GMT 22 Jul 86

[Text] Santiago, 21 Jul (EFE) -- The Manuel Rodriguez Patriotic Front (FPMR), an armed Marxist organization, has announced that "it will never hinder the pacification of Chile." In a letter addressed to the 14 National Civic Assembly leaders who have been jailed at the Capuchinos Prison in Santiago for over a week, the FPMR discussed violence and the pacification of Chile. The FPMR said that "our answer to the persistent repression and to Captain General Pinochet's attempts to perpetuate himself in power will not be a passive one."

The FPMR, named after Chilean War of Independence hero Manuel Rodriguez of the 19th century, said in its letter that only through "mobilization, stoppages, and civil disobedience" will it be possible to make progress in the fight to end the military regime. The FPMR added that it is also necessary to promote "the people's self-defense" by means of "barricades, trenches, and rudimentary homemade weapons" to counter repression during the demonstrations.

POLICE REPRESS VALDIVIA UNIVERSITY STUDENTS

PY230155 Santiago Radio Chilena in Spanish 2300 GMT 22 Jul 86

[Relay by Radio (Lose Torreones), FM, of Valdivia, in network with Radio Chilena]

[Text] Shortly after noon today students from Southern University who were marching peacefully to the main plaza to display a sign, were violently repressed by police forces. Other confrontations between students and the forces of order have not been as violent as the one this afternoon. So far, the Human Rights Committee, which is part of the Valdivia Archbishopric, has released a list of 24 perons who were detained, including the leaders of the Southern University Medicine School student center.

During the repressive action, agromony student Eduardo Ramirez was wounded in the head. He was taken by ambulance to a hospital. Most of the people who were watching the events near the plaza have reacted firmly to the violence against the students.

PRESIDENT BETANCUR ADDRESSES SENATE 20 JULY

PA220211 Bogota Television Service in Spanish 2247 GMT 20 Jul 86

[Speech by President Belisario Betancur Cuartas to the Senate in Bogota -- live]

[Excerpts] Mr President, ministers, [word indistinct], honorable senators: These pages are traditionally intended to be a report to Congress on the executive branch's activities and plans. Also, as other illustrious Colombians who have held the Presidency have done, they record events that he nation has participated in or witnessed. This is why I want to present to the honorable congressmen some of my reflections, which they will put on their desks within a few moments. These are reflections on two facts which for very valid reasons are milestones in the national history.

Chronologically, the most recent I want to refer to is the pastoral visit of His Holiness John Paul II to Colombia. [passage omitted]

I must reaffirm that his holiness' evangelical tour had only two leading actors: John Paul II himself on one hand, and the Colombians, made equal by the mystery of faith, made brothers especially in their hopes, on the other. In his presence we find support our beliefs and important values, but his ministry also relates to the most difficult and painful part of our fellow patriots' daily reality. His reiterated called for justice, an economic and social justice, the absence of which vilifies and contaminates the existence of so many millions of Colombians, was directed to everyone, in the first place to those of us who have directly participated in the management of public affairs.

The seriousness and fervor with which John Paul II has sought a much-yearned-for peace shook the very foundation of national feeling; the feelings of all of us who have suffered and been so deeply wounded that we found in the pontiff's words balm and restoration of our hopes. Tens of thousand of youths were listening when his holiness spoke. He told them not to be tempted to participate in violence; and when the pope prayed for a new era of social justice, equality, and love, the wise and generous pilgrim was fully identifying with the hopes and troubles of 28 million Colombians, with the troubles and hopes of the honorable parlamentarians, with all Colombian people who were alert to his statements and the stages of his tour of our fatherland.

On this occasion, honrable senators, I could not overlook the important occasion of the papal visit, because among other reasons, he did not hesitate to kindly [word indistinct] himself, because he controls his authority, and he also controls his ministry's conditions and the realities that directly affect the course of our public life and our public life and our collective nationality's future.

Meanwhile, the tragic events of 6 and 7 November 1985, generated by a terrorist action against the Palace of Justice, resulted in the almost total destruction of the palace, the deaths of the illustrious justice of the honorable Supreme Court, of assistant justices and other court and State Council officers, and civilian and military personnel. The terrorists and guerrillas have created controversies regarding the government's actions and responsibility, regarding our decisions and omissions. The dimension of the tragedy will project its lights and shadows for many years, and it will be a point of reference in the historical analysis of this administration.

For the president, this was the most difficult test of his mandate, and one of his greatest tribulations.

Illustrious servers of justice were sacrificed in the holocaust, men of peace and justice devoted to investigations, forums, academies, and the laws. Their friends, their fellow teachers, even their fellow politicians, and many of our deepest personal and political convictions faced a crisis, and we had to make extreme efforts to remain calm, confronting the convictions of our hearts and feelings with the unavoidable duties of the state and the law. The latter prevailed, just as they should prevail every time government leaders are faced with similar dilemmas.

The debate about the holocaust has taken place in all sectors -- political, legal, and personal -- with absolute freedom and without any evasion. As has been traditional in all its actions, the government permitted the public and the investigators to have access to all the elements of analysis and information to scrutinize our conduct and to achieve the utmost clarification of the actions and their consequences.

We have reiterated that the outcome of this absurd drama was at no time what we wanted. Whenever terrorism attacks, the solutions that countries can resort to almost always have effects that no ne desires, that one seeks from the standpoint of legimacy, security, and democracy. The greatest atrocity of terrorism is that there are no bounds to its aggressiveness, and its disregards even the most basic rules of the game that limit the inhuman excesses latent in all conflicts. Terrorism excludes all negotiation, all agreement, and all political solution. Those who believe that this modern madness, which attacks wherever it wants in the world, can act even slightly in accordance with the traditional patterns of political activity are mistaken. It main objective is no longer the destruction of a system that it considers unjust, but destruction for destruction's sake. Its path is the path of death, and its ideology belongs to the confused and distrubed world of madness. [passage omitted]

Efforts have been made to portray the action in the Justice Palace as one more episode of the guerrilla violence which through every means and strategy we have sought to resolve to establish peace in Colombia and to find a political solution, aware that the merely military solutions do not resolve the problems. It was absolutely not such an episode. From the very moment of the occupation of the palace, the terrorist group took it over by sword and fire, killing with unnecessary brutality the humble private guards and proceeding to violently kidnap the people in the building.

The initial action exceeded the bounds of what could have been a political action and instead became a venture of death. The demands of the command, which could not even be heard because of the blackmail that they entailed, were delirious and exhorbitant: a trial of the president of the Republic; to force the Supreme Court to make decisions, issue views, and hold sessionsd in circumstances completely foreign to the natural environment that is necessary for the thoughtful task of the legal expert; to force the executive branch to set aside all the conditions for the exercise of its mandate to undertake, in such absurd terms, the examination of its peace policy, among other demands.

But beyond the frenzied demands, the anarchist group's objective was aimed at the vital centers of our legal and institutional order. They wanted to show Colombia and the world that the jurisdiction of the government and the executive branch had been hurt by the terrorist threat.

How could the Republic have survived as a democratic nation, ruled by the Constitution and the laws, if the president and the entire government, had yielded to terrorist blackmail, even for a powerful reason? How can we talk of negotiations when one of the negotiating sides is acting under the deadly threat of submachine gun, a bomb, or a rifle?

Was the president insensitive to the distressing appeal of the victims for a dialogue and negotiations?

An examination of our responsibility, which we fully and personally assumed, has proven that we did not overlook any possibility of dialogue and persuasion, seeking the intervention of influential persons accepted by the terrorists. We resorted to the advice of personalities who at the time were not involved in this horrible drama. We offered alternatives for an evacuation, guaranteeing the lives and a civil trial to the members of the terrorist command.

We tried to talk, we took the greatest precautions in the rescue operations to save as many lives as possible. We cannot understand the unfairness of those who say that we acted implacably like Cato, and that we were insensitive to human anguish and grief. The entire nation and the news media harassed the government. It is true that they did so in the context of grief and tribulation caused by the loved ones that were killed, those who in those terrible days met with an absurd, unfair, incomprehensible end. However, the country understood the supreme reasons for our actions, to protect the citizens against greater misfortunes and an inevitable disaster had the terrorist plan triumphed. Colombia has raised to the altar of democracy the memory of those who were sacrificed and has decried their final absence. In the turbulent time that we have lived in, life -- as the right of all -- has a basic metaphysical component, the continuity of democratic ideals, their collective defense, the safeguard of the institutions, the prevalence of a social and legal order above any other ideological or political argument. [passage omitted]

The special tribunal to investigate the holocaust -- the magistrates of which jurist Carlos Supegui Zapata and Jaime Serrano Rueda were designated freely by the honorable Supreme Court of Justice -- has reported, in conscience and law, the correctness of our actions. The commission of accusations of the honorable Chamber of Representatives has unanimously made a pronouncement in this direction.

As we have said on several occasions, all members of the government -- with the president leading them -- will respect and abide by the decisions adopted by the appropriate authorities concerning these sorrowful events, and more so if these decisions do not favor us. Honorable Senators: Above and beyond his personal faith and what lies ahead for him, the president and his associates are certain he acted in defense of the fatherland, of the institutions entrusted to him, of general well-being, and in the fulfillment of the obligations we promised to respect before God and the people who elected him. [passage omitted]

At the beginning of 1986, the Colombian economy faced a radical change regarding this external situation. With achievements in the program to reorganize economy, the progress of mining projects, and the increase of international coffee prices, the country could again anticipate a considerable accumulation of international reserves. The fact that this sudden improvement in the exchange situation occurred with the highest exchange rate in the history of the current exchange system, with the fiscal deficit considerably reduced, and with important advances in the reorganization of the financial system, allowed us to enter a new stage with broad leeway to maneuver in the handling of a macroeconomic policy. The new panorama of the external sector with external credit resources, since the doubts about the county's paying ability were dispelled.

Nevertheless, the greater revenue collection at all levels could not be abandoned just because the financing difficulties of the deficit had been reduced. We pointed out that a part of the fiscal revenues of the external sector are temporary in nature. This implies that the other revenue sources should not be neglected, let alone could we permit the generation of a movement toward excessive public expenditures.

To defend the wage earners' purchasing power, consolidate economic adjustments, and strengthen the exchange position of the country, a figure close to 22 percent was adopted as the inflation target for the current year.

For this goal, we took as foundatios the stimulus for the staples supply and the monetary stability. At the beginning of the second semester, this objective is positively being attained.

To reactivate production during a period of financial crisis and serious external and fiscal imbalance, a braod package of economic measures was designed to reorient demand for the nation's products and support activities to interrelate with other branches of production that would encourage economic activity and the strengthen real liquidity. [passage omitted]

One of the government's permanent objectives is to maintain stable prices. In this respect we have tried to control inflationary trends by using automatic mechanisms. We have maintained a careful monetary policy, and we have tried to match the supply of goods to estimated needs, particularly with the articles that most affect the people such as food and housing.

From August 1982 to May 1986, the average annual increase in prices to the consumers was 19.9 perdent, approximately 6 points below the 25.7 percent registered during the 4 previous years. [passage omitted]

Honorable Senators, 4 years ago, in this illustrious capital, sacred ground of democracy, I swore to be faithful to our instituions and to defend the nation. Since then, I have devoted myself totally to government activities. I have carried out a large part of what I intended to do: to make deep decentralizing changes, with the elections of mayors and make more equal the distribution of incomes. All this I accomplished with the excellent support of the Senate.

I also maintained a just political balance, sought peace, and tried to broaden and improve our democracy; to reactivate and make more independent our relations with the world; to provide hearlth care for the people and protect children from diseases; to maintain social harmony; to create proper conditions for investment and employment; to create proper conditions for investment and employment; to reorganize the economy and financial sector; to promote a massive housing plan; to lower illiteracy; to encourage fine arts and literature; to bring the university closer to the student; and to strengthen the country along the border and in the souls of my fellow citizens. [passage omitted]

Expectations exceed poossibilities, therefore aspirations remain unfinished, which are always incentives to progress.

I am returning to the common and glorious life of a citizen, without resentment or bitterness, grateful that democracy took me from a rural area to allow me to serve the country with the passionate fervor of my beloved province, with the confidence of having governed Colombia without any ill will, with tenacity, faith, hope, and with a clear heart and mind.

I feel grateful to my compatriots of all political parties, of all social levels, who have generously given me opportunities and honors. I have no scars, rancor, nor wounds from any of my fellow citizens. I hope they forgive me for any wrong I have done; I swear it was not my intention. [passage omitted]

MINISTER ON AMNESTY INTERNATIONAL REPORT

PA221846 Bogota Television Service in Spanish 0100 GMT 21 Jul 86

[Text] Government Minister Jaime Castro today said that regardless of the inexactitude of the report, the controversy about the Amnesty International report has made evident the crisis of administration of justice in Colombia. At the same time, he urged all sectors to propose solutions to that crisis.

NEW ELN GUERRILLA ATTACK ON OIL PIPELINE

PA221755 Bogota Television Service in Spanish 1730 GMT 22 Jul 86

[Text] A new attack by the Army of National Liberation, ELN, led to the explosion of the Banadia Station, near Saravena, in Arauca Intendence. There was no fire, but the station's four pumping units were blown up, which will considerably reduce the oil production in Cano Limon and might even lead to a suspension of production if the evaluation made of the damages determines this.

Crude oil production was suspended last week for 4 days due to another ELN attack, which caused damages in two places in the Cano Limon-Covenas pipeline. The Banadia Station makes it possible to transport 200,000 barrels of oil per day. A tank containing 20,000 barrels of oil was also affected.

It has also been learned that none of the employees of Ecopetrol [Colombian Petroleum Enterprise] or of the associated multinationals have been kidnapped.

ELN REPORTEDLY ABDUCTS 4 OIL FIRM EMPLOYEES

PA221810 Madrid EFE in Spanish 1231 GMT 22 Jul 86

[Excerpts] Arauca, Colombia, 22 Jul (EFE) -- A total of 17 Army of National Liberation (ELN) guerrillas today dynamited the Cano Limon oil pipeline in Arauca intendency, using several explosive charges. They also kidnapped four employees of a German firm.

According to the Defense Ministry, the members of the pro-Castro group set off several explosive devices near Saravena (Arauca), 500 km northeast of Bogota, and after stealing some communications equipment they fled, taking with them four employees of Mannesmann, the FRG firm that constructed the pipeline. [passage omitted]

The Army has launched a large-scale operation in pursuit of the rebels to determine the whereabouts of the four abducted employees who, according to official sources, may be released once the guerrillas leave the area.

The Defense Ministry has not revealed the hostages' identity or nationality.

POLICE OFFICERS SERVING AS ADVISERS IN BOLIVIA

PA211853 Bogota Cadena Radial Super in Spanish 1730 GMT 19 Jul 86

[Excerpt] Bogota -- Military sources reported today that three high-ranking national police officers are acting as advisers in the antidrug-trafficking campaign U.S. authorities have set in motion in Bolivia. The campaign is aimed at eradicating coca plantations and laboratories that produce one-third of the cocaine consumed in the world. [passage omitted]

2 ELN GUERRILLA UNITS JOIN PEACE PROCESS

PA210332 Bogota Television Service in Spanish 0135 GMT 21 Jul 86

[Text] Two detachments of the National Liberation Army, ELN, which are active on the Atlantic coast, officially joined the peace process today,, when they turned in to the president of the Peace Commission a letter formalizing the move.

[Begin Peace Commission President John Agudelo Rios recording] The adherence to the peace process by these two ELN detachments gives peace a very positive outlook. I truly believe that the dialogue will make possible the definitive restoration of tranquiliity and peace in Colombia. [end recording]

UP TO WORK WITH PARTIES, ANNOUNCES BILLS

PA221847 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 21 Jul 86

[Text] The Patriotic Union [UP] has announced its decision to work jointly with the Liberal Party, the Conservative Party, and New Liberalism to promote political, institutional, social, and economic reforms, and it promised to struggle for new developments in the peace policy through the agreements signed by the government and the FARC.

The Patriotic Union will present the draft of a constitutional amendment to end bipartisanship as a form of government, an agrarian reform bill, and a bill placing limits on the state of siege so that it will be temporary and not for an indefinite period.

LA HORA INTERVIEWS COMMUNIST PARTY'S ARISMENDI

PY181958 Montevideo LA HORA in Spanish 6 Jul 86 pp 6, 7

["Exclusive" interview with Communist Party Secretary General Rodney Arismendi by an unidentified LA HORA reporter; date and place not given]

[Excerpt] [Reporter] You have been out of the country for several months. What were the reasons for this relatively lengthy absence from Uruguay?

[Arismendi] As everyone knows, I went on a mission that my party entrusted to me: I attended the congress of the Cuban Communist Party, and I responded to an invitation of the FSLN and the Nicaraguan Government to a conference of political parties in Managua to answer the U.S. threats. I also participated in the 27th CPSU Congress. This mission was in keeping with the general framework of our party's relations with the parties that have staged the main revolutions in history and comes in the wake of our party's participation in the congresses of Czechoslovaka GDR, Bulgarian, Yugoslavian, and Polish Communist Parties. This is all part of the overall framework constituting our patriotism, our inalienable dedication to the defense of our national independence and sovereignty, our quest for solutions to the problems facing our people, and our friendly internationalist relations with all the peoples of the world who succeed in their quest for democracy or have participated in the greatest historical change spanning four continents -- which is the victory of socialism.

Unfortunately, after participating in these events I had to be hospitalized in the USSR longer than I would have liked, to resume an old treatment which was discontinued despite the doctors' warnings. The treatment was stopped because our party decided to send me to Argentina to seek reapprochment and to participate directly in the underground struggle that our party, the popular forces, and the labor movement were waging against the dictatorship.

The period of hospitalization lasted longer than we would have liked, and this extended my stay outside Uruguay.

During this period I kept up a steady flow of correspondence with Jaime Perez [a leader of the Uruguayan Communist Party] and with the comrades of the Communist Party Executive and Central Committees.

We could say that I directly participated through my letters, opinions, and papers in the activities of the party during the time I had to be absent for party and healthy reasons.

[Reporter] Sometimes, looking from the outside and from a different viewpoint, it is easier to see the changes in the political situation. How did you see Uruguay when you returned, what changes did you see?

[Aruismendi] Arriving in Uruguay, I confirmed the opinions that the Communist Party National Conference had expressed regarding a certain period of time. These opinions are set forth in the preparatory document and in the general report that I read on behalf of the Party leadership and in the resolution. They were also stated during the debate.

[Reporter] One of the most interesting issues as far as public opinion and political circles are concerned is the drawing up of a project for the country. The Colorado Party has launched a drive for modernization and has charged the left with having no current option. Is there a leftist and communist overall national project for a future Uruguay?

[Arismendi] This morning I was asked something quite similar. I answered that we have had a project for quite some time now, a project that was worked on at length by the 1983 Central Committee made up of communists in exile and underground. That committee insisted that the dictatorship could only be toppled by a united people. We advocated full support for the ideas on national dignity that later became known as General Seregni's National Agreement. We called for mobilization at that stage in order to overthrow the dictatorship. However, we also discussed the guidelines for the situation that would follow the dictatorship and the coup d'etat.

In keeping with this, in the papers we later issued and in the speech in front of the City Hall, as well as the debates at the National Conference of the Communist Party, we gave careful consideration to national issues that had bearing on two related tasks that were exceeding well known: the consolidatiion of democracy -- this cry of "Dictatorship never again" that has become the slogan of the patriotic masses and which demands a high level of understanding and dialogue among all Uruguayans who favor democracy -- and dealing with the problems posed by the dramatic economic, social, and political situation of the country that we inherited from the dictatorship.

It was obvious before and from the brutual truth later that the dictatorship -- a fascist tool created through direct action of the United States in the southern cone -- not only brought crimes, torture, and the trampling of political parties, but also forsook national traditions and reorganized the Uruguay state along fascist lines. Not only did the Armed Forces become a kind of occupation force in the country acting against Uruguay as a whole, but they also implemented a systematic economic policy.

The purpose of this project is to turn Uruguay into a stronghold of foreign capital, to adjust it to the requirements of the IMF, of imperialism, and of the multinational enterprises. But its consequences were a national disaster, the most fantastic shady deals in the country's history, and the flight of capital. It also caused a drop in the Uruguayan people's standard of living, the destruction of all laws that have to do with the welfare of society, and a very serious crisis in all production sectors.

Therefore, an economic plan is necessary to consolidate democracy. Unfortunately, the government of the republic, joepardizing all agreement efforts, has once again gradually engaged in a policy that in certain aspects repeats the economy guidelines set by the policy of Vegh Villages [former economy minister during the military regime], by the military commanders, by the multinational corporations, by the IMF, etc. It is based on an ill-fated and completely utopian idea of making the country rely on foreign debt for its development, and trying to turn it into a stronghold for exports for combining the idea of Uruguay, a financial market, with Uruguay, a stronghold for mixed or private export firms. This presumably, with determined modern technology, would adapt Uruguay to the international work pattern designed by imperialism: a neocolonialist dependency system.

Any polemic regarding modernization merely repeats formulas of neoliberal experts who, to a certain degree, are followers of the Friedman school. When these exports talk about modernization as a way to overcome dependency, they do not actually advocate modernization or the renegotiation of the foreign debt to invest foreign trade surpluses for the development of national economies.

What they suggest is that we should seek better adjustment to dependency. Referring to the labor unions, they talk about having "eyes in the back of their head" because they do not accept being simply a component of this project.

This project, which was also brandished in Brazil on Argentina, is based on the theory that Uruguay's modernization will be achieved through privatization, adjustment to the foreign debt problem, and attraction of multinational companies by offering advantageous conditions that will allegedly allow their technological development. Uruguay needs to modernize itself. I am not the sort of person to oppose the need for an effective export policy for the country or the need to develop and technically improve the export sectors. Quite the contrary, it would be absurd to oppose this from the economic point of view.

The only consequences of this alleged modernization will be a higher unemployment rate. This will happen even with Dr Jorge Batlle's illusory and imaginative proposal to robotize at school. Some countries are doing this. Yet it is utopian to believe something can be achieved by giving the most sophisticated technology to our export industry -- technology that will be introducted hy multinationals -- by promoting privatizations, by restricting the role of the state, and by turning the large state-run comapnies into mixed enterprises. Not only is this a utopian idea but it is also a concept that can lead to the destruction of our country and of the work of great statesmen like Mr Batlle y Ordonez and others.

Therefore, this approach -- which also abides by the key elements of the Baker Plan and its requirements that state companies should be turned over to private hands -- will worsen unemployment in Uruguay and will prompt, as it is already doing, a rise of inflation and prices that will outdistance wages, salaries, and pensions. This means that there will not be a true recovery of national consumption.

This alleged modernization approach is naturally leading to a polarization of forces. I would like to congratulate the unions, the PIT-CNT [Interunion Workers Plenun-National Convention Workers] for their maturity. Without merely adopting a negative attitude of blanket rejection they are proposing the need to unite the workers, the producers, the middle class, and the political parties around a program capable of ensuring that there will be no more dictatorships and that solutions will be forthcoming. They are doing this with the same patriotism they displayed in their struggle against the dictatorship and the fascists at the cost of hundreds of people tortured and killed.

[Reporter] The advocates of this modernization policy are saying on one hand that the unions, the popular movemnet, and the left have obsolete ideas and on the other hand they react to criticism by saying that they are the majority, that they won the elections, and that now their approach must be accepted. What is your opinion?

[Arismendi] First of all it is not true that they won the elections throughout the country. Would the government dare hold a plebiscite on salary hikes, pension hikes, status of employment, assistance to the farmers, measures that have to do with loans, or the policy toward the IMF? In the second place these proposals for modernization are based on a very old formula. This formula calls for the adjustment of underdeveloped countries to the international division of labor, to the internationalization of production, and to the presence of multinational companies on their soil.

The only thing they do is talk about the achievements of the scientific and technological revolution, as if a scientific and technological revolution could occur in Uruguay without changes in its productive system, without an independent economic policy and without improvements in the standard of living of the people.

No, it is just a formula to cover up, as Ruben Dario said, a much more "municipal and heavy" formula such as the privatization or transformation into mixed corporations of state enterprises as a way of furthering dependency, of the creation of an enclave linked to the financial capital and monopolistic export sectors with some privileged enterprises that may bring more or less modern technology. The country then would retain its backwardness, large landowners, economic dependency, misery, the destruction of the productive apparatus, and poor education and public health. In other words, a country with unemployment where there are only 3 million people in a territory that is large enough for 11 million.

There are two projects: the project of dependency and backwardness and the project of change and reforms, which is the project we support, along with the struggle of the people. We also support the Broad Front because it can offer a better choice.

During the party's national conference we stated that, through the struggle for advanced democracy, economic and social changes, and the affirmation of freedom, we must create conditions for a new choice of power in which the Broad Front would become something like a meeting point for people of different groups (National and Colorado Parties, workers, middle-class citizens, intellectuals, students, farmers, industrialists, and businessmen) who are suffering from the current situation and who want to introduce changes in the country.

During the national conference we certainly referred to the great role played by the PCU which, being a party of the working class, has an established program and an orientation, and by representatives of all social levels, patriots in general. These men have made a great contribution to the progress of the Broad Front advocating unity and dialogue among Uruguayans during election campaigns, disregarding ideologies, and doing away with insults, lies, and psychological warfare. The priority programs are: The reconstruction of the country, the development of its independence, and the reaffirmation of freedom. Unity plays a great role in this program. This is a very broad program for unity around the Broad Front and the workers and popular forces.

The country demands the unity of all the leftist and labor forces to find solution to the great problems. Unity is needed to call for a people's congress and to solve the salary problems of people who know that unity is the basis for solving all the problems. The day after an announcement was made that some groups had withdrawn from the latest Congress held by the PIT-CNT [Interunion Workers Plenum-National Convention of Workers] and I say this without any desire to reopen a controversy, the initiative for regulating unions was passed immediately.

Now that this initiative is again proposed, there is more of a need than ever for unity. Unity is needed in thlabor movement, in the CNT, in the student and intellectual movements. We must reach agricultural workers to try to improve conditions that were discussed during two great mobilizations. These issues are dialogue, how to solve problems, and how to reject dictatorship. We must do this in the presence of agricultural producers in different parts of the country, and at different PIT-CNT meetings. We must call for unity and understanding.

Undoubtedly in the last few months, as a result of the workers' protest over economic policies, the relations between the government and the unions have been conflictual. The worst moments were during the repeated threats to regulate unions and the government's declaration of several services as essential. This situation also created a great deal of conflict among political parties. How can we get out of this situation? How can we move ahead to fulfill the necessary common tasks of the political parties to strengthen democracy?

The first thing we must take into account is the high degree of maturity and responsibility of the labor and popular movement. This is not the first time that the president of the nation and the various organizations of his party (not to mention the openly antilabor and reactionary newspaper EL DIA) have attacked the labor movement. I recall that at one time they severed the dialogue and gave rise to a critical situation. What was the labor unions' reaction? They staged demonstraions for unity, urging all parties -- the ruling party included -- to demonstrate support for a specific proposal that no leader, not even the president of the nation, would dare publicly oppose after evaluating it. Furthermore, a good portion of this proposal has drawn inspiration from the Conapro [National Consensus Commission].

In the second place, every time the government finds itself in a tight spot because it must change its economic policy and adjust it even more to the IMF requirements, it makes the mistake of attacking the labor movements.

But a national awareness should be awakened regarding these problems, as well as regarding human rights and some episodes we have been experiencing. If you see how closely these problems are related to each other, you will realize that every time the government takes a step toward the right, every time it adjusts to the requirements of the IMF, the Baker Plan, the businessmen, and the foreign debt, and reasserts a policy that foces the workers to pay for the crisis, the measures are accompanied by an attack kn the labor unions, and the appearance of more rightist sectors, as well as sectors identified with the dictatorship. These groups immediately demand the implemenation of repressive measures against ther labor unions. We thus see how supporters of Pacheco Areco, who are now criticizing Asiain and other leaders because they adopted an attitude contrary to that of Mr. Pacheco, become stronger.

Problems appear, like the recent document attributed to the Armed Forces intelligence service, which is the subject of much discussion by the people. In addition to ordering the surveillance of labor unions and sectors of the church, the Uruguayan Communist Party. and the leftist sectors, this document justifies this decision noting that these sectors were the ones persecuted under the dictatorship. As a consequence, this document acknowledges the Armed Forces' actions. This cannot be separated from the intention of granting amnesty to those guilty of deaths and tortures. We have repeatedly stated that we do not seek revenge because we are responsible politictians, who want truth and justice, as the popular slogan reads. But it is obvious tha not taking these issues into account, and proclaiming an alleged amnesty will only prompt the raising of those adversarial sectors of democracy and contribute to uniting the most regressive and most compromised sectors that exist under the dictatorship, an act which represents a true outrage.

We do not consider as useful for the country or for the well-being of the people the common antimilitary feeling or the overall belief that everything linked to the military sector is the enemy of the people.

But those who push the people to believe that the Armed Forces are engaged in crimes are those who, with their hands stained with blood, or tainted by shady deals or torture, seek to make believe that justice means insulting every military officer, saying every soldier was engaged in those crimes.

This document also gives the impression of having appeared as part of a maneuver designed by the intelligence service itself. I think that this document is linked to an attempt by some of those most closely linked to torture and by persons stronglay compromised by torture to make themselves heard at the famous Military Club banquet tht just "by chance" had U.S. imperialism's notorious press agency, UPI, as its mouthpiece.

The government must respond with adequate measures. We are faced with a political maneuver designed to create a superpower, which will surpass the state and the Constitution itself. Moreover, and I have stated this before, it is obvious that the full text of the document has not been disclosed because among the intelligence objectives is that of keeping watch, through the traditional parties, over the government.

The plan of Senator Rodriguez Camusso and the Advanced Democracy Party to interpellao Defense Minister Vicente Chiarino on the subject is a very good one because this wil nt only allow the government to clarify declarations, to assert the defense for democracy, and repudiate the most outstanding and compromised agents of the dictatorship, but it will also allow the government to do away with the people's fears, unrest, and concerns which in any case are a means of destabilizing democracy. These means have a political purpose and could become psychological warfare.

[Reporter] What relation is there between all this and the provocation against Senator Araujo?

[Arismendi] It is part of the same operation that started with the bomb that exploded at 20 [Uruguayan Communist Party's], the statements at the Officers' Club, the articles in EL SOLDADO magazine, or this banquet especially prepared for UPI to disseminate to the world and at the same time "legalize" the statements of a group of persons seeking to drag the Armed Forces into a phase of plotting against democracy. The episode against Araujo is insane. Who in this country is not aware of Araujo's struggle against the dictatorship?

The plot against Araujo undubtedly is an act of revenge, but it is also a way to divide the opposition, to turn the traditional parties into tools of the intelligence service of the people most related to the worst aspects of the dictatorship's intelligence service. But Araujo came out ahead, since, essentially, his letter is no different from so many lawyers' letters on behalf of the prisoner's release. [passage omitted]

REACTION TO PRESIDENT'S ECONOMIC MEASURES

Finance Minister Azpurua

PA221712 Caracas Television Service in Spanish 0000 GMT 19 Jul 86

[Excerpts] We have already seen the initial reactions to the economic measures issued by the Venezuelan president. Finance Minister Manuel Azpurua explained the scope and effects of those measures during a special program this morning in which he was interviewed by our reporter, Carlos Fernandez. A summary of this interview answers some of the questions inherent in the view expressed to date about the economic measures.

[Begin recording] [Fernandez] The first question must deal with the controversy that has arisen in the Venezuelan private sector regarding the measure to change the exchange rate from 4.30 bolivares to 7.50 bolivares for the payment of the private sector's foreign debt. Can you tell us the reasons why the executive branch made this decision, and can you tell us what might be the first response of the government sector in view of this reaction by the businessmen?

[Azpurua] Thank you for the question. As the president announced last night, he decided to eliminate the 4.30-bolivar exchange rate for the payment of the private sector's debt because of the country's current circumstances. When the 4.30-bolivar exchange rate for the payment of the private sector's foreign debt was established, the country's situation was very different. The average export price of our petroleum was $26 a barrel. Today, the price is a little under $15 a barrel. This means a very sharp drop in our foreign exchange and fiscal revenues. The loss in foreign exchnage revenues amounts to approximately $5 billion. We have a fiscal deficit of approximately 25 billion bolivares. In view of the country's reality, the maintenance of such a subsidy was not justified. The government had different options, and after analyzing them for several months and consulting and listening to many opinions -- it is important that everyone know that we listened to many people and to the most qualified economists of the country -- the government chose the option that it believed was the most advisable and the one that would cause the least effects and harm to the greatest number of Venezuelans. [passage omitted]

[Fernandez] How much is the private sector's foreign debt with this change from the 4.30-bolivar exchange rate to the 7.50-bolivar exchange rate?

[Azpurua] Of course, there is a higher figure now because of the addition of 3.20 bolivares. However, it is also true that the conditions of the private sectors at this time are different from those that existed in 1984 when President Lusinchi took office. Why? Because the government in the past 2 and 1/2 years has made efforts to achieve an economic recovery and to strengthen the country's productive sector. The agricultural sector is an example of this. [passage omitted]

[Fernandez] Your estimates about 1987 regarding petroleum are more or less the same as those for 1986. Does this mean that the outlook for the international petroleum market will continue to be uncertain for a long time?

[Azpurua] Yes, we have to make estimates based on reality. It is to be expected that the petroleum market and prices will gradually stabilize and rise, but in any case our estimates for next year are based on an average export price of $15 a barrel and an export of 1.589 million barrels [a day], as we stated in the estimates that we presented to Congress. Those are the estimates. It is difficult to make predictions.

[Fernandez] Will the budget that you will present to Congress have to be redrafted again?

[Azpurua] Well, the budget is presented to Congress within the first 10 days of October as the law establishes. Now then, what will be changed is the way to cover that deficit that existed and that we pointed out to Congress. There were several alternatives. One could have been a devaluation that would affect the entire population. It would have meant a new cost for all sectors and especially the lower income sectors and the workers. This would have meant a decrease in the real income of the workers and the majority of the population. Another option was indebtedness, but we believe it would be unjust and would mean making all the population pay for that indebtedness. Therefore, we took the path of eliminating the 4.30 bolivar-exchange rate, and the resources that were held for the purpose of maintaining that subsidy will now be used to cover that budget deficit in the coming year. [passage omitted] [end recording]

Party Leaders

PA221330 Caracas Television Service in Spanish 0000 GMT 19 Jul 86

[Text] Juan Antonio Martinez, leader of the parliamentary faction People's Electoral Movement, MEP, feels the social measures that the government announced yesterday are nothing new because such measures were not up to expectations. He added that more detailed explanations are required regarding the sale of assets of nonessential enterprises, and he regarded the exchange rate of 7.50 bolivars to the dollar as positive, but untimely.

[Begin Martinez recording] The Venezuelan state and society cannot go on subsidizing a fictitious exchange rate of 4.30 bolivars to the dollar. It does not exist. Still, the 7.50 exchange rate is being subsidized. However, it is a lesser load on the national revenues and our debt. The country must clairfy its economic situation. [end recording]

These criticisms were echoed by Gonzalo Barrios, president of the Democratic Action Party, who said that these regulations take time to apply and that politicians should not hasten to make irresponsible remarks.

He also said that the money that will be saved with an exchange rate of 7.50 does not constitute a surplus to be used whimsically, and that with this measure there is no turning back, even if enterprises are affected.

[Begin Barrios recording] There is no turning back here. There is not enough money. Even if the government was a very close friend of the enterprises or formed an enterprise itself, it would have to resignedly (?implement) its own measures because there is no way to fulfill or do otherwise. [sentence as heard] [end recording]

The various political groups also agreed that it will be necessary to wait for the development of these government decisions prior to expressing a more formal opinion on them.

Further Party Reaction

PA230413 Caracas Television Service in Spanish 0000 GMT 23 Jul 86

[By Angel Bustamante]

[Text] The COPEI and MAS [Movement Toward Socialism], today revealed their positions concerning the economic measures announced by President Jaime Lusinchi.

MAS believes that only one of the measures is really significant, the one abolishing the foreign exchange rate of 4.30 bolivares per dollar for the payment of the private sector's foreign debt.

[Begin MAS Secretary General Freddy Munoz recording] Also, some of the social measures -- although somewhat timid -- would improve many people's situation in a certain way -- if these measures are ever implemented. [end recording]

The top-level COPEI leaders also analyzed and established their positions concerning the measures announced by the president of the Republic to the country on 17 July.

[Begin COPEI Secretary General Eduardo Fernandez recording] We have always wanted the government to heed the proposals presented not only by COPEI members but also by many people in charge of the private sector's economic activities. The government should call a great national dialogue. [end recording]

New reactions to the measures presented by the head of state are expected in the near future from various sectors in the country.

CREDIT AGREEMENT SIGNED WITH IMF 22 JULY

PA222107 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 22 Jul 86

[Text] Finance Secretary Gustavo Petricioli signed an agreement with the IMF a few moments ago. The agreement was signed at the Mexican Embassy in Washington and will allow our country to immediately get $1.5 billion in credit. The signing of the agreement was witnessed by Jorge Espinosa de Los Reyes, Mexican ambassador to the United States; Jacques de Larosiere, director of the IMF; andn Michael Curtis, president of the World Bank, replacing Antonio Ortiz Mena, president of the IDB.

The agreement signed between the IMF and our country is the result of lengthy negotiations by the Mexican Government, and, for the first time, the IMF has agreed to take into account loss in revenue due to the drop in crude oil prices and gave up its strict demands for austerity. The agreement stipulates that Mexico must reduce the current 13-percent budget deficit to 10 percent of the GNP in 1987.

The Mexican Government also pledged to guarantee its economic growth; the estimated growth will be 3 percent for this year and next, while in 1988 the government estimates a 4-percent economic growth.

The loan will compensate for the losses Mexico suffered with the earthquake last September and the drop in oil prices; the latter alone has been calculated at $8 billion. Mexico will have open international credit lines as of this date.

The country sought to get approximately $7 billion in credit; nevertheless, it was revealed in New York that this might be increased to $12 billion.

BOLIVIAN ENVOY ON ENTRY OF TRAFFICKERS, CITIZENS

PA221511 Panama City EXTRA in Spanish 22 Jul 86 pp 1, 2

[Excerpts] Bolivian Ambassador to Panama Samuel Gallardo Lozada has confirmed in a news conference the possibility that Bolivian cocaine kings might have sought refuge in Panama.

In this regard, the Bolivian diplomat said that "when drug traffickers are pursued in their country, as in the case of Bolivia, they leave their country and take refuge in other countries. They could be in Panama, just as they could be in Miami, Caracas, Rio de Janeiro, or Buenos Aires." [passage omitted]

The Bolivian ambassador also refuted the statement by Immigration Director Captain Felipe Camargo who said that the entry of Bolivian citizens had been suspended because an increase of alleged Bolivian tourists was noticed.

According to Gallardo Lozada, yesterday he contacted Foreign Minister Jorge Abadia Arias, who assured him "that there is no order preventing the flow, stay, or transit of Bolivian citizens in Panama." [passage omitted]

AMBASSADOR IN CARACAS SAYS REPORTERS NOT EXILES

PA190429 Panama City LA PRENSA in Spanish 17 Jul 86 p 28 A

["In a Few Words" column]

[Text] Two Panamanian reporters will not be able to write for their newspaper LA PRENSA for a while, at least so long as the exile they sought in Venezuela lasts. This is the result of an internal political struggle that revolves around the power of General Manuel Antonio Noriega, the National Guard's [as published] "strongman."

Roberto Eisenmann and Guillermo Sanchez Borbon are in Maiquetia under Venezuelan diplomat protection. However, Panamanian Ambassador Marcel Salamin claims that they are not exiles but part of an international maneuver. The ambassador denounced the "Codfish Operation" and denied that reporters Eisenmann and Sanchez Borbon, editor and associate editor of newspaper LA PRENSA respectively, are in Venezuela as "exiles" or political "refugees."

According to the Panamanian diplomat, the presence of Eisenmann and Sanchez Borbon "in the territory of a friendly country" responds to the U.S. interest of trying to transfer to and continue a campaign of attacks against his country and the government of Gen Noriega -- chief of the armed forces -- from here; a campaign that has been systematically carried out by unidentified officials of the Reagan administration (Department of State) via the main U.S. newspapers.

Salamin called the "transfer of the suspicion or campaign to that country "Operation Codfish," in keeping with an adage: "You cannot fool me, Codfish." [quotation marks as published]

The Panamanian Government representative in Caracas said that the U.S. campaign has two main objectives: to eliminate Contadora and mock the Torrijos-Carter Treaties. "They now want to broaden the campaign, to transfer it to a friendly country to avert suspicion and plan an operation against Panama from Venezuela," he added.

Upon being consulted about the case of Roberto Eisenmann, the first of the two reporters to arrive in Venezuela, Ambassador Salamin said that he has been in the United States for the past year and helped in this campaign against Panama.

"They have undeservingly tried to make him look like the prototype of the Panamanian democrat and compare him to Pedro Joaquin Chamorro." Salamin added that there are no threats against Eisenmann's life. He said that he knows nothing about the F-8 paramilitary organization that Eisenmann claims is threatening him. Salamin added that the LA PRENSA editor can enter and leave Panama when he pleases. He said that the label of "traitor to the homeland" given Eisenmann by the Legislative Assembly, which has the right to label "those who operate against national interests" in such a way, is a political label.

As for Sanchez Borbon, Salamin said that he is in Caracas thanks to the courtesy of the Venezuelan Government. The 2-month permit to leave the country is considered adequate, and if he does not return to the country, the trial will continue anyway, Salamin said. He can appeal the decision before the tribunals.

Meanwhile, the exiled reporters denounced the existence of an autocratic regime in Panama that murders its political enemies, threatens freedom of speech, and appears to be the antithesis of what the Contadora Group stands for.

Eisenmann and Sanchez Borbon held a news conference in the office of Hilarion Cardozo, the first vice president of the Senate and president of the Christian Democratic organization of Latin America, to accuse their country's regime of a number of strange incidents, having corruption reports against Gen Manuel Antonio Noreiga, commander of the National Guard and strongman of his country, as their backdrop.

Eisenmann said that "the core of our (LA PRENSA) stand is the Panamanian political system itself, but we carry out this struggle through democratic means."

"The problem is that they (the government) wrap themselves with the national flag whenever they are accused of anything."

Eisenmann explained that the basic problem is Noriega's shady handling of situations. After a 10-year relationship with the CIA, a strange relationship at that, during which he managed to gain the sympathy for the regime of very different sides such as Washington, Moscow, Havana, al-Qadhdhafi, the Israeli Mossad, the Colombian Government, and the M-19, it now appears that the CIA is turning its back on him in the wake of reports in THE NEW YORK TIMES linking the strongman of Panama to drug trafficking.

Guillermo Sanchez Borbon added: "To us, it is unacceptable that the man leading our country could be blackmailed and, above all, that this involves something as monstrous as drug trafficking."

He concluded: "Noriega has turned the armed forces into a gang, a malignant and foul-smelling tumor in the Panamanian body that requires radical surgery; however, Noriega is not the only problem, there is also a political system that separates the legal and institutional Panama from the real Panama."

BISHOPS ISSUE DOCUMENT ON 'FEELING OF FEAR'

PA172352 Panama City LA PRENSA in Spanish 12 Jul 86 p 1

[By Franklin Bosquez D'Giovanni]

[Excerpt] Archbishop Msgr Marcos Gregorio McGrath has stated that the latest arrests of journalists opposed to the regime are making the people of this country "think twice" before going to a state attorney's office.

Meanwhile, Carlos Maria Ariz, apostolic vicar of Darien, has said that there is a "feeling of fear" among the Panamanians and that this situation would not exist if the laws "drafted to defend the people" were adequately applied.

McGrath and Ariz made these statements yesterday in the residence of the former during a news conference convoked by the Panamanian Episcopal Conference (CEP), which comprises all the bishops of the country.

The members of the CEP are: McGrath, who is CEP president; Jose Maria Carrizo; Carlos A. Lewis; Daniel E. Nunez; Jose Dimas Cedeno; Carlos Maria Ariz; Jesus Serrano; Jose Agustin Ganuza; Marcos Zuluaga; Oscar Brown; and Jose Luis Lacunza.

The CEP has delivered a document on four subjects that are sources of concern, especially the one dealing with the so-called "national situation."

The document states that the bishops have been thinking carefully about current national problems and that they are very sad and worried becasue they have "noticed there is estrangment, a general feeling of fear, distrust in the government, and mutual charges -- a situation we have tried to correct on several occasions, but that continues getting more acute at an ever-growing pace."

According to CEP, the charges made from abroad against important national politicians have caused much concern and confusion among the people because the charges are serious and the sources are imprecise in their accusations. "For this reason we have to be discreet in getting these situations cleared up. We have to act with fraternal feelings and respect for the fatherland to resolve our affairs without permitting foreign meddling that would harm feelings of nationalism." [passage omitted]

EL SALVADOR

GENERAL VIDES REPORTS ON 1985-86 ACHIEVEMENTS

PA181847 San Salvador Radio Cadena YSU in Spanish 1800 GMT 17 Jul 86

[By Carlos Mario Marquez -- passages within quotation marks recorded]

[Text] Today Defense Minister General Carlos Eugenio Vides Casanova presented a report on his most recent year in office. In his report, the officer said that discipline is one of the most touchy subjects, particularly to avoid conflicts between the soldiers' morale and their personal well-being. Discipline is necessary to create and maintain a good image of the Armed Forces which guarantees and respects the human rights of the civilian population. In each case where military and common crimes were committed by Armed Forces personnel during this time frame, the Armed Forces authorities acted equitably and justly.

1. Some 3,270 Armed Forces members were charged with various violations of military rules.

[Evides] "2. Discharges and transfers to civilian courts on charges of homicide: 42.

"3. Discharges and transfers to courts on charges of rape: 5 officers, 1 cadet, and 13 soldiers.

"4. Discharges and transfers to civilian courts on charges of (?manslaughter): 1 officer, 2 cadets, and 35 soldiers.

"5. Discharges and transfers to courts on charges of theft: 1 cadet and 32 soldiers.

"6. Discharges and various serious offenses: 15 civilians, 8 cadets, and 115 soldiers.

"7. Combat casualties: For the Armed Forces, 477 dead, 2,482 wounded, 50 missing in action.

"B. [letter as heard] Guerrilla casualties: 1,457 dead, 607 wounded, 1,511 prisoners, 859 voluntary surrenders."

Concerning counterinsurgency actions, and more specifically the military operations undertaken over the past year, Gen Vides Casanova reported the following:

[Vides, in progress] "...of operation:

"A. Strategic warfare considerations: In the light of the political and military strategy that the guerrilla organizations have pursued in 1985-1986, the Salvadoran Armed Forces has implemented the following operations in that same period of time:

"1. Offensive counterinsurgency operations in areas of guerrilla concentration, designed to maintain military superiority and to separate the guerrilla and civilian populations both physically and psychologically, confirming rebel concentrations to northern Morazan and northwestern Chalatenango.

"2. Continuous active defense operations in the remaining areas in each military zone, with the purposes of defending strategic targets, important roads, crops and harvests of products that are basic for the national economy, protecting the major cities maintaining public order, and preventing to the extent possible acts of sabotage by the guerrillas: in short, to generate a climate of relative peace and security that will allow the government to carry out its current national action plans in other fields of endeavor.

"3. Intelligence and special counterinsurgency operations designed to prevent guerrilla expansion into the 2d Military Zone.

"4. Continuation of the policy of respect for human rights and of support for the democratic process with a view to maintaining the civilian population's confidence in and support for the government and Armed Forces.

"5. Stepping up psychological operations, military civic action programs, and participation in the area restoration program in order to win over the hearts and minds of the civilian population.

"6. Disruption of the rebels' political and military organizational structures, installations, and logistical networks.

"7. Counteracting the manipulation and mobilization of urban and rural masses by the guerrilla organizations.

"8. Consolidation of accomplishments and expansion of areas of control. For this we have decided to advance a joint drive that will engage civilians, the military, and government in efforts to shorten the prolonged people's war, gradually consolidate the country's various areas, organize and control the civilian population, rebuild that which has been destroyed, and attain peace in El Salvador.

"9. Increase of military specialization and training in the Army, Air Force, National Navy, and public security forces to improve combat efficiency levels and ensure better use of resources.

"10. Cooperate with the government's efforts to attain peace within a constitutional framework.

"B. Counterinsurgency operations carried out from 1 July 1985 to 20 May 1986: large-scale operations, 86; small-scale operations, 23; continuous operations, 35; helicopter airborne operations, 37; patrols, 111,673; ambushes, 15,599, roadblocks, 20,816."

Later, Gen Vides Casanova was approached by the press and asked about the proposal for a public national debate with the rebels over a national radio and television network. He said:

"The president of the Republic will answer that. Nonetheless, with respect to the Armed Forces, the Constitution does not empower us to enter into debate with subversives or criminals. Our obligation is to fight them. Therefore, our answer to that proposal by the rebels is no."

With regard to the group of U.S. religious activists who were detained by police yesterday in northern Suchitoto, Gen Vides Casanova said:

[Vides] "They arrived in the country and led between 200 and 300 people to the Aguacayo to resettle. That is an area we are preparing for repopulation in an organized manner with the help of the Order [as heard] of Malta.

We need to compile statistics on the people who own property and lands there so as to relocate them. It is still an area of conflict. The presence of foreigners in that area was inconvenient for us because of the risks it entailed. What if something happened to them? Also, they had absolutely no authorization to undertake that repopulation effort.

"The Treasury Police are holding them at this time, and shortly they will be placed under the orders of the immigration authorities and will leave the country.

"I understand that the embassy is handling the problem in its capacity as a diplomatic mission, to see to it that they leave. However, I do not know what their reaction was.

[Marquez] "General: When you said they arrived in an area of conflict, does this mean that the people who are repopulating Aguacay are also in danger?

[Vides] "There is danger throughout the country, because the rebels do not respect any area. Naturally, some areas are more dangerous than others. This area will have to be repopulated in an organized manner. People who really want to work, and not subversives, must be taken there. That is why we must do this in an organized way."

Gen Vides said the following on the dialogue process:

[Vides] "The dialogue proposal is unquestionably a separate matter from the debate proposal. We have said before that the president of the Republic is not only entitled, but obliged to work for peace. The dialogue is one of the ways to do that. The Armed Forces endorses the position of the president of the Republic. However, any dialogue must take place under certain rules, and I believe that for a president, and for the Armed Forces, the only rule that applies is the Constitution. We will support everything that is done within a constitutional framework.

[Marquez] "Sir: What do you consider the outstanding accomplishment of your latest year in office?

[Vides] "The outstanding accomplishment [words indistinct] of the past year was having maintained unity in the Armed Forces. This unity will allow us to overcome all problems. It is currently allowing us to continue to defend and strengthen the democratic system in the country. I believe that the two key factors are: maintaining unity in the Armed Forces and continuing to defend the democratic process. Also, as a consequence of the first two, improving the Armed Forces level of respect from human rights is important. I mention war last, because if we achieve the first three, we will also win the war.

[Marquez] "Will you attend the third dialogue meeting, sir, as you did the first?

[Vides] "I am a military man. I follow orders. I will attend it if the president asks me to. If not, I will not [words indistinct]."

These were statements by Defense Minister Gen Vides Casanova, who this morning addressed the Legislative Assembly to present a report on his actions during his latest year in office. Gen Vides also discussed matters of national interest.

ACAN INTERVIEWS ARMED FORCES CHIEF BLANDON

Contra Aid, Contadora, Condeca

PA190347 Panama City ACAN in Spanish 1909 GMT 18 Jul 86

[By Ricardo Chacon]

[Text] San Salvador, 18 Jul (ACAN-EFE) -- The $100 million in aid which the United States gave to the anti-Sandinists "is very little and cannot achieve a significant change in Nicaragua," the Armed Forces chief of the joint staff has said. "The contras could have better equipment, organization, and training with the military aid, but in my opinion the aid is very little to face the Sandinists' military machine," it was asserted by General Adolfo Blandon in an interview with ACAN-EFE. The U.S. Congress on 25 June authorized the delivery of $100 million to the rebel groups that have been trying to oust the Sandinist regime for the last 5 years.

Gen Blandon said: "The Nicaraguans have received more weapons from the Soviet Union during the last 3 months than they have during the last 3 years, and yet the Sandinists talk about a balance concerning military weapons and units." The Contadora peace document, which has been in the draft process for the past 3 years, includes negotiations to establish military limits in Central America after the treaty is implemented. All the nations except Nicaragua reject this.

Blandon said: "That is why I sincerely do not believe in Contadora. I do not believe in the group because there is a very difficult obstacle to overcome in the military sector. It is difficult to supervise and evaluate the military forces and weapons that each of the countries has." Blandon also asserted tha Daniel Ortega's concept of democracy can be summarized thus: "He who has more weapons has the power. Therefore, it is very romantic to think about Contadora." The military officer said he was talking as chief of joint staff, "but the country's foreign policy is determined by the president of the Republic, and I will abide by any decision he adopts," he added.

The top-level military officer referred to the Central American Defense Council (Condeca) and said that the general staffs of Honduras, Guatemala, and El Salvador have talked many times about its reactivation. The Condeca was founded in the sixties as a joint defense against a "foreign aggression," like the one feared by the founders of this organization: Anastasio Somoza, in Nicaragua and Colonel Julio Adalberto Rivera in El Salvador, after the Cuban revolution.

Blandon said: "We believe that the time is appropriate to revive Condeca as a joint military organization, because we face a common threat, meaning the Marxist-Leninist government in Nicaragua, with its expansionist pretentions." The general stated that "there is a legal basis concerning the Condeca which states that the Nicaraguan Government may demand its inclusion in the organization . Consequently, we have to review the legal basis, perhaps change its name, and organize it among the other four countries." Blandon said: "Likewise, we need the political will of all the presidents in the area to work more consistently and attain the Condeca's reactivation."

Blandon said that the new military organization's goal would be the defense of "the Central American countries' democratic system, which is advocated by Honduras, Guatemala, Costa Rica, and El Salvador." "We have to defend ourselves, we have to form a bloc to defend ourselves from Nicaragua's pretentions, because we have already been affected by the Nicaraguans' influence, and they continue to provide all kinds of aid to the terrorists."

War, Reconstruction Plans

PA220228 Panama City ACAN in Spanish 2230 GMT 19 Jul 86

[By Ricardo Chacon]

[Text] San Salvador, 19 Jul (ACAN-EFE) -- The Armed Forces Joint Staff chief has said that the war in El Salvador "can go on for a long time, but the time could be reduced considerably if we achieve unity among all the country's sectors." General Adolfo Blandon, in an interview granted to ACAN-EFE, stated that at present "60 percent of our units are carrying out eight operations all over the country." The general explained that these operations involve more than 16,000 troops specialized in counterinsurgency and described "the high morale of the Armed Forces and the logistical power to sustain that type of warfare with a high level of fighting spirit."

The operations are carried out in the western, northern, central, and eastern parts of the country. Since the start of the armed conflict nearly 7 years ago, the eastern, central, and northern zones have been the most affected by the war. In the last few years, the FMLN has spread its attacks across the country, even in the Santa Ana, La Paz, and La Libertad Departments, which are considered the most peaceful.

The general reported that a meeting was held last week with department, brigade, and detachment commanders in order to evaluate the Army's tactical accomplishments during the first 6 months of the year. The Armed Forces Joint Staff chief said: "We believe that we are going to implement a change in tactical procedures during the next few months, in order to protect energy sources and powerlines, and to afford more protection to the plantations that supply the country's foreign exchange." The FMLN attacks, as part of the war, targets which are strategic to the economy, like electricity, which has a direct relationship with industry, commerce, and all the country's productive apparatus.

The general added that "for obvious reasons" he could not give details of the procedures to be followed by the Army in this "tactical change." The military man assured that "the guerrillas have been hit hard" and that their presence "has been reduced by 33 percent," but their "capacity to regroup and attack strategic objectives is still there." Blandon was referring to last month's attack on the 3d Infantry Brigade in the eastern city of San Miguel, where some 40 Army personnel were killed.

"The guerrillas still have attack capability, but this is gradually diminishing. We are expecting a large guerrilla attack within the next few days, above all because this gives them publicity for the third round of talks." The government and the guerrillas are to resume peace talks soon. These talks were suspended in November 1984 without any result.

Blandon added: "The Army is prepared for any type of attack, but remember that we are at fixed positions. The guerrillas know where we are." The guerrillas claim to have the strategic and tactical initiative, as they say how, when, and where their forces are going to attack. In addition, they have extended their operational control, and they have the capacity to concentrate and strike strategic targets."

Blandon said: "The war El Salvador is going through is special. Obtaining a military victory is not enough. It is necessary to win in the economic, politicial, ideological, social, and international fields." The military leader added: "The war has to be in all fields. That is why we have started a new overall plan, united in order to reconstruct, which intends to put this idea into operation."

The general said he had met with private businessmen, trade union leaders, and the president and his government, in order to launch the reconstruction drive. The plan is a government enterprise which tries to combine the social, economic, and military aspects of the country's different zones. The project initially entails "a military clean-up of the zones," followed by socioeconomic programs developed with the civilians and various government institutions. Blandon added: "This plan was conceived in August 1985, and we believe it to be the solution to shortening the war; above all because it tries to bring the population together and thus offer the people an alternative."

CASTILLO CLARAMOUNT ON NICARAGUAN CHARGE, DIALOGUE

PA222023 San Salvador Canal Doce Television in Spanish 1200 GMT 21 Jul 86

[Text] Foreign Minister Castillo Claramount has denied that our country seeks to destabilize the Sandinist regime with U.S. support, as a high-ranking Nicaraguan official has asserted. Roxana Lemus reports:

[Begin recording] [Lemus] Vice President and Foreign Minister Rodolfo Antonio Castillo Claramount has rejected an assertion by Nicaraguan representatives to the effect that El Salvador and Honduras are the best U.S. allies for alienating Nicaragua from the Central American area.

[Castillo Claramount] This is a falsehood. To a degree, these are verbal balancing acts and ill-intentioned games by the Nicaraguan Government. To some degree, this is lying, exaggerating, wanting to put words where there are none, and seeking to misinterpret nonexistent stances. Everyone here and in the rest of the democratic world knows that El Salvador is not an element of aggression of the United States against Nicaragua, that the Salvadoran Government will never lend itself to such a thing, that the situation is very different, and that, as President Duarte has said with great dignity and bravery, although it is true that we need U.S. aid and are grateful for it, Salvadoran sovereignty is not for sale. It has not been sold, nor will it be sold in the future. El Salvador will not become an element of aggression against anyone.

[Lemus] Speaking about the third dialogue for peace between the government and the guerrillas, Castillo Claramount ratified Preisent Duarte's view that for the Salvadoran Government the dialogue involves two historically justified concepts. For one thing, he said, it is a need of the Salvadoran people, because they yearn for peace.

[Castillo Claramount] First, it is a need of the Salvadoran people. The Salvadoran people want peace and understand that the dialogue is an instrument for achieving it. The people have faith in the dialogue. The Salvadoran people have come to realize that it is possible to understand one another through rationality and by forsaking the bestiality and brutality that involves the use of weapons and so forth.

In the second place, this government believes in an imperative element imposed by its conscience. It believes in an ethical imperative when it comes to politics: the search for understanding and the solution of problems through the path of rationality, through the path of dialogue, which does not mean surrendering stances or anything like that. No one can seek to approach the dialogue with arrogant stances. No one can approach the dialogue with surrendering stances. The dialogue is in fact the search for a common ground, for consensus, for an intermediate point, a point of convergence, which can always be found.

[Lemus] He also said that efforts will continue to be made, regardless of how hard a stance the guerrillas take, as these are circumstantial things that may vary. [end recording]

BORDER COMMISSION YIELDS AGREEMENT WITH HONDURAS

PA230224 San Salvador Canal Doce Television in Spanish 1900 GMT 22 Jul 86

[Report by Roxanna Lemus]

[Text] The Honduran and Salvadoran Joint Border Commission has signed a special demarcation agreement. The agreement was signed at the Salvadoran Foreign Ministry. The Honduran commission, headed by Pedro Pineda Madriz, arrived in this country this morning to sign the agreement. According to Peneda Madriz, the two countries are concerned about the border problem.

[Begin Pineda recording] We have come here today to resume the work begun by the joint border commission through the demarcation subcommittee. I used the word resume because this meeting is a continuation of the same work that was begun in the past. However, this time it is being done within the framework of the new special agreement officially known by the name of El Salvador-Honduras Special Demarcation Agreement. [end recording]

Meanwhile, Salvadoran Deputy Foreign Minister Ricardo Acevedo Peralta spoke of the deaths of six alleged Salvadoran guerrillas that occurred in the territory in dispute. He said that this type of incident is not surprising.

[Begin Acevedo recording] The Salvadoran domestic situation is one of instability because of the guerrillas and the groups that are up in arms. We have always been able to give them a diplomatic response in accordance with the spirit of the peace treaty whenever these incidents have hindered the strict observance of the norms and postulates included in the peace treaty. Therefore, incidents such as this one are not surprising, nor are they completely unprecedented in these times and circumstances. What is important is to have the goodwill, understanding, and the appropriate response of our neighbors, the Honduran people. They have always understood the needs and problems of the Salvadoran people. [end recording]

The joint border commission will meet again in Tegucigalpa in late August to decide the time, place, and method for the implementation of the peace treaty signed in 1980.

RIVERA Y DAMAS 'OPTIMISTIC' ABOUT DIALOGUE

PA221724 San Salvador Canal Doce Television in Spanish 1200 GMT 21 Jul 86

[Report by Joel Burgos]

[Text] Upon conclusion of his homily, the archbishop of San Salvador [Arturo Rivera y Damas] -- held an impromptu news conference where he said that the mechanism of holding meetings prior to the dialogue has been rejected by the guerrillas.

[Begin Rivera y Damas recording] At this point they believe that the government's acceptance of a proposal I made at a meeting held in Mexico calling for talks prior to the dialogue is a delaying action. I think that the problems that have to be discussed are humorous and the depth of the conflict so profound that unless something is prepared prior to the public meeting, time will be wasted and the people may become frustrated seeing that no positive results are obtained. They told me in Mexico that they would consider holding some talks prior to the meeting, but later they said no, both when they phoned me from Mexico and when I talked to them in Bogota.

My trip was shortened because the (?CIECC) [Inter-American Committee for Education, Science and Culture] meeting in Argentina was cancelled. I had a presentation to make there, but then there was no reason to make such a long trip. Moreover, I was certainly interested in seeing that the president's proposal would not fall into a vacuum, as I am sincerely working so that a peaceful solution may be found through dialogue. [end recording]

The archbishop added that after talking to the government and guerrillas leaders, he is 98 percent optimistic about the dialogue.

FMLN REJECTS RIVERA Y DAMAS' ACCUSATIONS

PA230323 (Clandestine) Radio Venceremos in Spanish to El Salvador 0040 GMT 23 Jul 86

[Communique issued by the FMLN on 22 July 1986, place not given]

[Text] The FMLN reports:

1. The FMLN does not advocate the policy of recruiting personnel against their will. The number of our forces is increasing because of the people's support and the volunteers wishing to join our military units, which guarantees the quality of our fighters.

2. Contrary to the policy of recruiting people against their will as carried out by the Armed Forces, the FMLN is promoting a nationwide campaign through which the youths cooperate and participate without leaving their homes, as members of militias and clandestine guerrillas.

3. At no time have our forces established control over property to collect taxes from small- and medium-size farmers, much less on cooperatives or poor peasants.

4. Our tax collecting policy is aimed solely at landowners, big businessmen in general. It is just and legitimate to have the rich pay for the people's war, while the government is trying to make the people pay through its economic measures, for the counterrevolutionary [as heard] war.

5. The accusations against the FMLN by Msgr Rivera y Damas originate from versions disseminated by four individuals who are collaborating with the Army, who were expelled along with their families from the area of San Gerardo, San Miguel Department.

6. These four individuals were members of the [words indistinct] created by the Arce Battalion and they used to inform on those collaborating with the FMLN or to point out those opposped to the government, or dissatisfied with the regime. The persons who were pointed out by them were usually killed or arrested by the Arce Battalion when it was in the zone of San Gerardo. This was the reason why these four counterrevolutionaries [as heard] were expelled.

7. Colonel Mauricio Roberto Staben, well-known kidnapper, developed and disseminated, as part of his psychological war plan, such absolutely false stories whose objective was to confuse and at the same time cover up the abuses, crimes, and recruitment of persons against their will carried out by the 3d Infantry Brigade troops and the Arce Battalion against civilians in that zone.

8. We regret that the church and especially Msgr Rivera y Damas are repeating these unfounded rumors, whose source can only be Col Staben through his collaborators. On the other hand, they never pay any attention to the accusations of all the crimes, destruction of homes, economic persecution policies, and indiscriminate bombings that are carried out by the Army against the population. We have the evidence to prove our accusations.

9. We invite the local and foreign news media, and especially the church, to visit the people of San Gerardo and the northern zone of San Miguel to speak directly awith the civilian population and confirm themselves, that the actions attributed to the FMLN are false.

Revolution or death, we will win.

22 July 1986.

GUATEMALA

CONGRESS PRESIDENT DEPARTS FOR WASHINGTON

PA222348 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 22 Jul 86

[Text] Guatemalan Congress President Alfonso Cabrera left today for Washington where he will talk with U.S. congressmen about the problems in Central America. Cabrera termed as very positive the interest shown by U.S. congressmen to learn more about the situation in Central America. Cabrera said that he will take advantage of this occasion to inform them of Guatemala's position in relation to the Contadora Group and also the steps that have been taken to organize the Central American parliament and to explain its objectives. Cabrera was invited to these talks by U.S. congressmen, as president of the Guatemalan Congress nd not as an official representative of President Vinicio Cerezo Arevalo's government.

OBSERVER STATUS AT UK TALKS FAVORED FOR BELIZE

PA182149 Guatemala City EL GRAFICO in Spanish 18 Jul 86 p 2

[Text] Guatemala City 18 Jul -- Foreign Minister Mario Quinonez did not specifically comment on Belizean Prime Minister Manuel Esquivel's announcement that his government wants to negotiate its territorial problem directly with the Guatemalan Government.

In response to a question from the press, Quinonez said that Guatemala is interested in holding talks on the matter but with the UK, although Belize may be present. Quinonez reiterated that Guatemala's disagreement is directly with the UK and that therefore it is with that government that it must negotiate. However, Guatemala is not opposed to Belize's presence as an observer, he added.

Regarding the meeting held in Tegucigalpa the day before yesterday by the Honduran, Salvadoran, and Costa Rican foreign ministers, Quinonez said that he did not attend the meeting because he was not invited. He added that, undoubtedly, the three foreign ministers met to discuss aspects related to the Central American situation based on their criteria, and perhaps they felt that Guatemala's presence was not necessary on that occasion.

NAVY CAPTURES 2 MEXICAN FISHING VESSELS

PA230159 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 22 Jul 86

[Text] Navy units captured two Mexican fishing boats in Guatemalan territorial waters. The crew and the boats were placed under the jurisdiction of the authorities in Champerico, Retalhuleu Department. The military has issued a bulletin reporting that a fishing boat called Alondra was captured last Sunday with two persons aboard. The other boat, called Sussy, was captured early this morning, also with two persons aboard, fishing for shrimps. The Alondra was fishing for sharks.

The two fishing boats were captured by the same Guatemalan naval unit along the Pacific coast.

HONDURAS

MONTOYA VIEWS MILITARY TRAINING IN BORDER AREAS

PA190405 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 17 Jul 86

[Text] Already there is talk of preparing Honduran citizens living along the border area for a possible conflict. National Congress President Carlos Orbin Montoya has said that our border area citizens will be trained militarily to defend themselves in the event of a possible conflict. The National Congress president spoke with our reporter Douglas Membreno.

[Begin recording] [Montoya] That is true. We are drafting an interdisciplinary plan for the entire sector. I have personally asked for international cooperation to develop the entire border area. We may even provide military training to the residents so that they can defend their homes and properties. There is an interdisciplinary plan whereby we want to help that zone, and even provide military training to the residents so that they will be able to defend their homes and properties. In other words, the people will at least know how to act in the face of a clash or an outbreak of war.

[Membreno] Mr Montoya, that area's coffee growers have experienced huge losses. As president of the Congress and as a coffee grower, how can you help them?

[Montoya] The Coffee Committee [of the Congress -- FBIS] has drafted a plan to conduct an inspection at the border, assess the damage, and make recommendations to the Congress for approval. The following problem will then be to study the border area with Nicaragua to assess the damage and to reach a decision.

[Membreno] Regarding the problem of the contras' presence in Honduran territory, National Congress President Montoya said:

[Montoya, in progress] ...jurisdiction. This is a tactical and practical problem. We have said that we have been tolerant for humanitarian reasons.

[Membreno] How long will the Honduran Government be tolerant?

[Montoya] Not very long, I do not think. They have to return to their country. [end recording]

CONTRAS, FMLN REPORTEDLY USING HONDURAN ID CARDS

PA222016 Panama City ACAN in Spanish 1557 GMT 22 Jul 86

[Excerpts] Tegucigalpa, 22 Jul (ACAN-EFE) -- Salvadoran guerrillas and Nicaraguan counterrevolutionaries are using Honduran identification cards, Roberto Callejas, president of the Honduran National Electoral Tribunal, said today. The official said that two Nicaraguan citizens bearing Honduran identification cards were recently arrested in Miami.

The Salvadoran guerrillas and the contras fighting the Sandinist government are using the identification cards to enter Honduran territory, "either to rest or to obtain food," the official added. The president of the National Electoral Tribunal did not say how many Salvadorans and Nicaraguans are using the Honduran identification cards, but he did say that 50,000 foreigners had identified themselves as persons born in Honduras. The identification process is now being revised to invalidate the identification cards of all foreigners with false Honduran identities. [passage omitted]

NICARAGUA

ORTEGA TO PARTICIPATE IN 29 JUL UN MEETING

PA221649 Paris AFP in Spanish 1626 GMT 22 Jul 86

[Text] New York 22 Jul (AFP) -- President Daniel Ortega will travel to New York on Saturday to participate on 29 July in a meeting of the UN Security Council, it was officially anounced today at the United Nations. Nicaragua is expected to request a Security Council meeting to discuss the ruling of the International Court of Justice at The Hague condemning the military and paramilitary activities of the United States against Nicaragua, and acknowledging the fact that Managua is entitled to receive indemnity. The council's meeting will probably open on Tuesday. Nicaragua's ambassador to the United Nations, Nora Astorga, has already begun a number of bilateral consultations with members of that body and with the member-countries of the Contadora and Support Groups.

ORTEGA TO ATTEND BALAGUER INAUGURATION

PA230359 Managua Domestic Service in Spanish 0315 GMT 23 Jul 86

[Text] Santo Domingo -- The presidents of Nicaragua, Guatemala, and El Salvador will attend the inauguration ceremony of President Joaquin Balaguer on 16 August, reported sources from the foreign Ministry.

The source said that Commander Daniel Ortega Saavedra, Vinicio Cerezo, and Jose Napoleon Duarte have confirmed that they will attend the inauguration ceremony, which will also be attended by several political leaders from the United States, Latin America, and Europe. It is also expected that Social Christian leaders of some 15 countries, like former President Rafael Caldera and Luis Herrera Campins from Venezuela, Osvaldo Hurtado from Ecuador, and [name indistinct], former Italian prime minister. The Social Christian leaders have been invited by the Reformist Social Christian Party of Balaguer, winner of the general elections held on 16 May by more than 24,000 votes over the officialist Dominican Revolutionary Party.

RETURN AUTHORIZED FOR U.S. PRESS CORRESPONDENTS

PA230354 Managua Domestic Service in Spanish 0312 GMT 23 Jul 86

[Communique issued by the Interior Ministry's Public and International Relations Directorate; date not given]

[Text] The Interior Ministryu's Public and International Relations Directorate reports that in an unconsulted administrative decision, U.S. WASHINGTON TIMES correspondents Glen Garvin and Sue Ann Mullin were expelled from the country. The Interior Ministry has proven that the two correspondents are indeed open opponents of the Sandinist revolution and that they have furnished abundant misinformation on the situation in Nicaragua. The decision to expel them was made by a mid-level government official who did not consult previously with the Interior Ministry's superior directorate. Thus, Garvin and Mullin may, if they wish to do so, return to Nicaragua to continue their work.

Interior Ministry, Public and International Relations Directorate.

SOVIETS DONATE WHEAT; BREAD SUPPLY 'ASSURED'

PA221920 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 22 Jul 86

[Text] The merchant ship (Anatoliy Lunatziy) arrived today at Port Corinto with 10,000 tons of wheat. This makes a total of 20,000 tons of wheat that the Soviet Union has donated to Nicaragua in recent days as a demonstrations of solidarity. With this wheat, the Nicaraguan people have assured bread production for 5 months. The donation is already being removed from the port by [words indistinct]

COMMANDER RUIZ TO VISIT VIETNAM 24-31 July

PA221541 Managua Radio Sandino in Spanish 1200 GMT 22 July 86

[Text] Commander of the Revolution Henry Ruiz Hernandez, a member of the National Directorate and foreign cooperation minister, has departed for the Socialist Republic of Vietnam for an official visit, according to a communique issued by the Secretariat of the FSLN National Directorate. Commander Ruiz will be in Vietnam between 24 and 31 July. He was invited by the Central Committee of the Communist Party and the Vietnamese Government in an effort to broaden and strengthen relations between the two countries, among which demonstrations of solidarity and friendship have already become a tradition.

TINOCO COMMENTS ON STATUS OF CONTADORA

PA221315 Managua Radio Sandino in Spanish 1930 GMT 21 Jul 86

[Text] The Contadora Group is not bankrupt, despite the current situation, and the Support Group is waiting for the right political moment that will allow it to operate again. This statement was made by Deputy Foreign Minister Victor Hugo Tinoco during an interview with NOTIMEX. The deputy foreign minister said that Contadora has become a kind of political capital that has grown in the past 3 years and which represents the Latin American unity at a time when the U.S. Government is politically and economically attacking nations like Mexico, Panama, and Brazil. I do not think that Contadora is dead, because, in the first place, it is necessary for peace in Central America, and all forces interested in peace, especially Latin America, will continue to put forth efforts to do this job, Tinoco added. Also, Contadora represents interests not only for the peace of the Central Americans but for all of Latin America. Contadora defends principles like nonintervention, Tinoco said.

After recalling that in the past few weeks the U.S. media has used much of its space to criticize the Mexican Government because of the elections held on the border with the United States, Victor Hugo Tinoco said that the level of confrontation between the Reagan administration and Latin America has grown in the political-diplomatic sphere.

In this regard, the Nicaraguan deputy foreign minister said that Latin America needs Contadora to confront the generalized and global aggressiveness of the Reagan administration against all the countries of the area. Tinoco added that as a result of the escalation of the war following the approval of military aid to the counterrevolution by the U.S. Congress, it is quite natural to expect a period of change in the negotiating process in Central America because the axis will now move toward the military situation, subtracting space for the political-diplomatic efforts.

Tinoco said that countries like Mexico and Panama are convinced and determined that in Central America the only solution to the conflict is through Contadora. However, Tinoco expressed his doubts regarding the position of the new Colombian Goverment.

Deputy Foreign Minister Tinoco said that Contadora is waiting for three elements to direct its actions. One of the important factors could be the result of the legislative elections in the United States. These elections will be held in November. Another factor is the evolution of international public opinion, especially U.S. public opinion, regarding the Central American situation. The third factor is the development of the military confrontation in Nicaragua.

ARCE MEETS WITH ECUADORAN PEACE DELEGATION

PA220230 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 21 Jul 86

[Text] Commander of the Revolution Bayardo Arce, deputy coordinator of the Executive Commission of the FSLN'S National Directorate, met this afternoon with the Ecuadoran delegation for peace headed by Jose Solis, secretary of the Council for Peace. Commander Arce expressed appreciation for the presence of this country's delegation, that observed Nicaragua's situation during its stay. Solis said that, upon returning to his country, he will help to clarify the misinformation campaign fostered by the United States.

FURTHER ON L.A. YOUTH CONFERENCE IN MANAGUA

Cardenal on Church-State Relations

PA221320 Managua Radio Sandino in Spanish 1300 GMT 20 Jul 86

[Excerpts] On 19 July, Education Minister Father Fernando Cardenal spoke about the participation of Christians in the process of social transformations currently taking place in the country. Speaking before approximately 100 delegates to the meeting of Latin American and Caribbean Youths for Peace and Nonintervention in Central America, Father Cardenal said that there is no problem in Nicaragua between Christians and the revolution. He added that if there are any problems between the bishops and the revolution, they are of a political nature because some bishops are bent on favoring the $100 million for death that will be used to bleed the people. Minister Cardenal explained that it was for that reason that Bishops Vega and Carballo were expelled from the country, because they betrayed the Nicaraguan people by supporting the U.S. death policy. He said: Traitors are executed in other countries. However, here they were expelled in a lenient manner, he added, referring to the government's decision to ban the entrance to the country of priests who on several occasions supported the approval of the $100 million for the contras. [passage omitted]

Meeting Adjourns

PA222026 Managua Radio Sandino in Spanish 1300 GMT 20 Jul 86

[Excerpts] After 3 days of sessions in which Latin American and Caribbean youths analyzed the region's military, economic, and social situation, a youth meeting concluded on 17 July. We must increase awareness and solidarity and, above all, understand that the struggles are the same for all peoples, [names indistinct], secretary general of the WFDY [World Federation of Democratic Youth] said, adding that it must be clear that the warmongering policy of the United States is not only directed against Nicaragua, but against the world. That is the main reason why all youths must ask for solidarity for Sandino's people.

Pedro Hurtado, coordinator of the 19 July Sandinist Youth, closed the event which was also sponsored by the FES [Federation of High School Students] and the UNEN [National Union of Nicaraguan Students]. This meeting became a forum against intervention in Central America and a combat trench in the defense of the Sandinist people's revolution, Hurtado added. He said that the Managua meeting will be a point of reference in the search of ideas and actions to be undertaken by youths for our peoples. The fact that this meeting is being held during the celebrations of the 7th anniversary of our revolution and is being attended by Latin American and Caribbean youths is one more slap at imperialism, the youth leader added. [passage omitted]

The youth wing of the URNG proposed during the Latin American youth meeting that the campaign entitled "$100 Million for Life, Against the $100 Million for Death," be promoted at the international level. The campaign seeks to collect through many activities $100 million in aid for Nicaragua to counteract the $100 million that the United States has approved to kill the Nicaraguan people.

TORRES ON COUNTRY'S RIGHT TO PURCHASE WEAPONS

PA222249 Managua Radio Sandino in Spanish 1930 GMT 22 Jul 86

[Text] Guerrilla Commander Hugo Torres, chief of the EPS Political Directorate, has said that Nicaragua has never renounced its right to modernize its Army or purchase the necessary weapons for its defense. During an interview with NOTIMEX, Commander Torres said that the U.S. Government's campaign, regarding the possibility that Nicaragua will purchase modern aircraft, is aimed at justifying its virtual declaration of war against our country expressed in its military and logistical support for the counterrevolution. Commander Torres admitted that Nicaragua recently purchased more helicopters, however, he clarified that these are MI-17 helicopters used to transport troops and not for offensive purposes.

Commander Torres said that the Pentagon's versions attempting to portray the image of a militaristic Nicaragua that would represent a danger to the United States is nothing more than a justification to give the contras more heat-seeking surface-to-air missiles like the SAM-7 or the Stinger.

When describing the weapons, Commander Torres said that we must obtain hundreds of thousands of weapons such as light-weight artillery weapons, rifles, rocket-launchers, machine guns, mines, and grenades to implement the military doctrine for defense, which is based on the people in arms, and be able to wage an active war of resistance that will stop and defeat the possibility of a direct military intervention by the United States should this occur.

Commander Torres also said that negotiations are under way for Nicaragua to purchase the French-made Mirage plane or the Soviet-made MIG. Should agreements be reached on these purchases, they would be very important elements for the defense of the country because the contras supply by air would be practically impossible. This would come in very handy should a direct U.S. military action occur.

Commander Torres added that for the past 7 years the United States has been preparing the public and has built a whole infrastructure for an invasion of our country. He said that it is important to evaluate the war from the political standpoint and added that, to date, and in view of the fact that it has been unable to act directly with its own forces or take over docile armies in Central America, Reagan has had to use the counterrevolution to attack Nicaragua militarily. Commander Torres added that the United States is trying to capitalize on the effect of these actions to expand its political space before the public and international opinion, especially U.S. opinion. Commander Torres described the efforts to get the U.S. opinion on its side as very important for any U.S. Government.

Commander Torres said that the U.S. Administration's attempts in the political sphere have been successful, especially with the support of the U.S. Congress. However, it has also faced difficulties because it has not been able to escalate its aggression against Nicaragua with its own troops.

BRIEFS

HOUSING SECTOR ACHIEVEMENTS -- Miguel Ernesto Vigil, minister of housing and human settlements, has stated that 50,000 families have benefitted from the government's housing projects during the last 7 years. Vigil added that his ministry will now seek to attain the goal of 100,000 housing units within the next few years. [Summary] [Managua Radio Sandino in Spanish 1750 GMT 18 Jul 86 PA]

CENTRAL COMMITTEE MEETING ASSESSES ECONOMY

Castro on U.S. 'Danger'

PA222235 Madrid EFE in Spanish 2115 GMT 22 Jul 86

[By Juan Jesus Aznarez]

[Text] Havana, 22 Jul (EFE) -- President Fidel Castro has called the administration of U.S. President Ronald Reagan one of the "most serious" dangers in the whole history of the Cuban revolution. The Cuban leader made these remarks at the second plenum of the Central Committee of the Communist Party of Cuba (FCC), whose conclusions have taken up almost the whole first page of the official daily GRANMA.

During the plenum, held on 17, 18, and 19 [July] to make an economic and social evaluatjon of the year 1985 and the first months of 1986, several documents related to the "process of rectification of errors and negative trends" being held in Cugs were approved.

Castro said: "In the field of defense a huge job has been done in the face of the threats of the Reagan government. " However, along the same line political work for the working class was neglected.

The PCC Central Committtee held its second plenum after the administrative and political leaders of the 14 provinces of Cuba had completed a round of assemblies directed to list and analyze the negative trends that the government has denounced.

Fidel Castro warned that there should be "an immediate" rectification of a large nmber of errors and that it is necessary to find solutions "without desperation."

The Cuban chief of state repeated his belief that after this process the revolution would emerge stronger and that the experience would also be of held for other revolutionary movements.

Castro said: "We are at work for the socialist cause."

The Cuban leader described the country's military training as "a giganitc task," although he pointed out: "We had been losing on one side what we had been achieving on the other." He also said: "We have begun to be infected by mercantilism, liberalism, and other evila."

After Castros met with 3,500 enterprise leaders of Havana in June, other meetings have been held in various productive or social sectors. This past weekend, the Committees for the Defense of the Revolution of Havana held an assembly in which they pledged to increase their political and ideological work among the people. Toward this end, other events have been held in the steelworking and agricultural sectors. All of these events reached similar conclusions, namely self-criticism and more demands from workers. The press and television newscasts have reported on these events profusely and have commented on the mistakes pointed out by the country's leadership.

During his speech to the Central Committee, Castro asked that the press "free itself completely from stereotyped and arrogant positions."

He added: "In this way, the press will become more and more convincing, thought-provoking, and pleasing. This in no way clashes with its principles and the innate loyalty it has for the people."

Other Topics Discussed

FL221512 Havana Tele-Rebelde Network in Spanish 1130 GMT 22 Jul 86

[Text] As has been reported, on 17, 18, and 19 July, the second plenary of the Communist Party of Cuba Central Committee was held and presided over by its first secretary, Commander in Chief Fidel Castro.

The Plenum evaluated the economic and social achievements of 1985 and the first months of 1986 as well as the efforts directed by our party to rectify errors and negative tendencies that have been an essential part of the special plenary meetings held by provincial and municipal committees, party base organizations and the recently-held provincial enterprise assembly meetings.

The documents presented on the two topics for consideration by the Central Committee were approved. Among the principal elements contained in the economic-social evaluation was the fact that during the first 4 months this year, the production of goods was 3.6 percent greater than the same time period in 1985, based on stable prices.

In reference to a 6-month period, this growth of only 2.2 percent reflects the external difficulties of the present year and indicates that if the necessary measures are not taken, it will also affect in 1987 the already low fulfillment of numerous exportable commodities.

The plenum evaluated the extraordinary efforts to minimize losses during the difficulties that occurred during the sugar harvest. During the last 4 months, the nonsugar economy generally completed the production plan and grew by 7.4 percent. In a 6-month period, this growth was 3.6 percent. Work productivity has been affected since the beginning of the year. A deterioration has been noted in the wage-resources-productivity relation. During the 6-month period, productivity decreased 1 percent, and the average salary increased 3 percent.

If the estimates are removed from the sugar economy, [si se eliminara el calculo a la economia azucarera], work productivity in comparison to the same period last year increased by only 0.6 percent, while the average salary increased 2.1 percent.

The total exchange of merchandise during the 6-month period reflects a completion of 55.7 percent of the annual plan and a decrease of 0.43 percent in comparison to 1985.

The most complex situation is in the area of freely convertible foreign currency, which seriously reflects the consequence of some export products' falling prices and other external factors, even though in 1985 there was a notable advance in the conservation of energy carriers [portadores energeticos], which has not been favorable during the past few months of this year.

At the end of June, consumption of combustible fuel, diesel fuel, and motor gasoline increased 4.4, 8.6, and 5.2 percent, respectively, which does not correspond to the economy's rate of growth. The consumption of electrical energy in the state civil service sector increased 6.7 percent. Nevertheless, it must be noted that the situation has been gradually improving during the last 2-3 months.

In reference to profitability and production costs at the end of the first 3 months, the cost per weight was greater by 3.1 centavos over the same period last year.

The plenum paid special attention to investment policies. The need was stated to halt the practice of beginning numerous works whose completions are indefinitely delayed this losing the concept of production as a continuous process in construciton. The inefficiency, productivity, and low-quality of completions were severly criticized, especially in roof construction. In this respect, the Central Committee categorically announced itself in favor of adopting measures that would guarantee that each task initiated would be assured of the resources required and could count on the schedule established for its conclusion.

Some employment problems were also analyzed at the plenary meeting, and they stressed that established priorities be followed so that new positions can be filled by youths completing active military service who are returning to their country after training with cooperation contingencies in other socialist countries.

They discussed measures to increase stability in the work force to cover deficits existing in some areas in the country and in sectors such as agriculture and construction.

Upon approving the economic and social evaluation of 1985 and the first months of 1986, the plenum stressed that the country has continued to experience important growth during this period despite the deficiencies that have been mentioned.

They point out the brilliant effort made during the past sugar harvest, which was able to greatly minimize the effects of the drought and Hurricane Kate. At the same time, they note the growing intensity of the availability of freely convertible foreign currency [divisas libremente convertibles] as a result of the known phenomena that affect our trade in the capitalist area and the insufficient development of our exportable commodities. They note the need to reaffirm the already-defined economic strategy and revitalize the spirit of conservation of fuel, elecrricity, raw materials, and all kinds of materials that have been deteriorating over the past few months.

In light of this evaluation and the joint analysis conducted by the party and the entire country's government organs, the second plenary dedicated the majority of its 3 work days to study in detail the causes of errors and negative deficiencies that have developed in the heart of our society, particularly the phenomena foreign to the socialist morality which are being manifested in the labor environment.

The Central Committee stressed that these phenomena are caused by several factors. The predominant ones are the lack of administrative requirement, laziness, tolerance of trade union structures, and serious weaknesses in political tasks.

It became obvious that the economic tendency that tries to promote the completion of production and service goals solely by using material supports is itself deformed because its application violates existing standards and regulations. It does not create satisfactory conduct and, on the contrary, it worsens lack of discipline, negligence, and lack of interest in social goals.

The Central Committee considered it urgent to overcome this tendency and rigorously confront the consequence, above all, in respect to the good use of the work day of which accurate completion should be the fundamental indicator used to evaluate the level of organization, requirement, and control on the part of the administrations. Good use of the work day itself should be each worker's basic moral responsibility to society and himself.

In this respect, the plenum declared itself in favor of reinforcing all mechanisms that hold the cadres responsible for respecting and restricting the content of the work day in each work center and agreed that certain activities should be held after working hours such as administrative meetings and other activities that take cadres and those responsible for production away from their tasks and also require them to relocate outside their work centers, which suppresses any personal management during working hours.

The Central Committee also considered that it is now up to the militants of the party, UJC [Union of Young Communists], work collectives, trade unions, and all other workers to respond to Comrade Fidel's call with a renewed spirit of owners and users of production means.

The response is summarized in one word, which gives dignity and praise: work, above all, to work according to each one's responsibility during a work day and each day to work better, with more dedication and quality.

In this respect, the situation of the textile center in Santiago de Cuba was examined where construction deficiencies combine with several uncompleted tasks, disorder, and a high rate of absenteeism. The party Central Committee considered these and other production insufficiencies in the province and Santiago de Cuba municipality. They indicated that an effort should be made to inspire shame and to appeal to the revolutionary spirit of the people of Santiago de Cuba, who are aspiring to host the fourth party congress, to demonstrate now and continue demonstrating over the next few years that they have earned that high honor.

A similar detailed analysis was made of the progress in the Moa region development program and the steps being taken to assure that the elevated investments made there begin to show productive results. The full and alternate Central Committee members debated the situations presented by the so-called legal briefs and medical certificates. They approved criteria for a study intended to create order so that legitimate laws, guaranteed by the labor legislation of our socialist state, cannot be manipulated to favor laziness and fraud.

Also discussed in a similar manner were aspects linking salary to yield, poor application of standards and bonus payments, various aspects of the phenomena of workers without a job that remain on the payroll, authorizations for so-called freelance work, autonomous policy for labor force by enterprises and budgeted units, and other problems.

The plenum discussed the numerous errors and distortions that occurred despite Comrade Fidel's warning that the directorate of the economic system could not spontaneously resolve all the development problems of the country. It was decided unanimously that the predominance of such a profoundly erroneous concept over the past few years created senseless carelessness in political and ideological work, introduced practices that had a tendency to make workers and leaders corrupt and obsessed with money [metalizar], created technocratic and bureaucratic deformations that promoted the hypertrophy of personnel, prevented rational formulas by multi-official methods for better use of the labor force, affected the quality of work, and promoted a growing ineffectiveness and inefficiency in the entire country's productive apparatus.

As a result, the Central Committee plenum decided in favor of continuing the immediate rectification of all those deficiencies that could be and should be corrected without delay, and at the same time, continue to study calmly other cases in a complete and profound manner to prevent extremes and errors from occurring in the measures that require implementation. It was indicated that this should be confronted like a great economic and political task that should always be preceded by convincing and mobilizing workers and the masses in general.

The plenary session gave priority attention to the role of mass dissemination means, both in the process of adjustment and the perspective of building socialism in our country. Regarding this topic, Comrade Fidel Castro referred to the ideas he outlined during last meeting of the National Assembly, stressing his conviction of the decisive role that must be played by the written, radio, and televised media in the struggle against mistakes and negative trends and for the affirmation of socialism's principles and ethics.

The second plenum adopted Comrade Fidel's considerations on the need to take into account the experiences gained in criticizing economic management and administrative functions in the recent past, and thoroughly examined the causes for adjustments that have taken place after brief periods of relative progress during which there have been successes and mistakes. In this respect, the plenum agreed that the critical efforts of our media have not frequently found understanding and, for that reason, have lacked consistent support, above all in the party's very own structures, which constitutes a reflection of the need to raise the spirit and practice of criticism and self-criticism in the midst of party's nuclei and intermediate level leadership, in the UJC, and in mass and social organizations. Our media can also contribute to this effort.

The plenum also discussed the current varied limitations that the media experience in voicing criticism and shared the opinions expressed during the discussions on complexity and determined political, moral, and oriented support that must be consistently given.

Comrade Fidel Castro delved deeply into the role of the dissemination means with respect to the continued increase in the level of the people's information and culture. In this regard, he stressed the need for our press to liberate itself completely of stereotyped and triumphalist schemes so that it becomes increasingly more convincing, profound, and entertaining, which in no way contradicts the position of principles and loyalty to the people and the revolution characterizing it.

The second plenum expressed its confidence in the fruitful and guiding results of the fifth congress of the Union of Cuban journalists, scheduled for September of this year.

The plenum also conducted a detailed examination of the state of scientific research work in the country. In this sphere, the need for obtaining greater and better results of acquired resources was noted, attaining complete responses to the problems of our development through research work, vigorously reviewing the policy observed so far for granting scientific degrees, and profoundly renewing the concepts and style that should be observed in the exercise of scientific research work.

Likewise, numerous problems affecting the quality of education were reviewed, especially those dealing with weaknesses in education work, low level of training of teachers and professors, lack of exigence and discipline, insufficient study habits, and other shortcomings, all of which is reflected in the inadequate training of children and youths attending the different levels and types of education.

After 25 hours of discussions during which more than 100 hours of speeches were made, Commander in Chief Fidel Castro made the closing remarks of the second plenary session. In his speech, as he did in statements made during the discussions, Comrade Fidel explained the problems and difficulties that the revolution must tackle today. He noted that the party leadership had been able to devote its time to this effort thanks to the great work performed in the field of defense in the face of the Reagan administration's threats.

He termed these threats as the most serious the revolution had faced in all its history.

However, in contradiction to that gigantic effort, we realized that we were sliding on a slope tilted over the moral field with its unavoidable political and economic consequences, in other words we were losing on one side what we were gaining on the other. We were being contaminated by mercantilism, liberalism, and other views.

Volunteer work was practically abandoned in the economy and had sought refuge in defense tasks. We were entering a process of corruption of the workers in which an attempt was being made to solve all problems with money. The commander in chief noted that he had warned on many occasions about the opinion of trusting all situations to the economic mechanisms, because if capitalism is the empire of blind laws, socialism should be the empire of conscientious planning and work.

As a result of this situation, Fidel indicated, the integrity concept in development plans was lost, the microbrigades were eliminated, and social projects were checked. The important economic and political role played by schools in the countryside was underestimated, and we gradually began to depend on the construction sector in a situation of virtual powerlessness in response to the country's needs.

The party's first secretary voiced confidence that with imagination and revolutionary resourcefulness, we will find the formula to respond to all these problems. We have the privilege of having a great party and a great people, he said. We also have a Central Committee worthy of the two which, he noted, had been demonstrated in the very successful and fruitful meeting that was about to conclude.

Comrade Fidel said that a large number of problems must be corrected immediately and that, without losing hope, calmly, making sure not to fall into improvisations and mistakes, analyzing and studying all matters very carefully, we could find adequate solutions to all the difficulties and deformations.

In closing, Fidel noted his confidence that we would come out stronger from this process of rectification and that it will be a great lesson that there are things with which no one can play. Not only it will be an experience for us but for the entire revolutionary movement; we are working, Fidel stressed, for the cause of socialism.

GOVERNMENT DENIES AGREEMENT WITH BANKS

FL222351 Havana Radio Rebelde Network in Spanish 2300 GMT 22 Jul 86

[Text] The aim of the meeting between Cuban representatives and creditor banks held in Paris this weekend was to have a simple exchange of views and not to sign an agreement. This was stated by this capital's banking circles. Authorized sources indicated that the possibility of signing an agreement was left for a future meeting with the group of creditor banks headed by France's Credit Lyonnais. The U.S. newspaper THE WALL STREET JOURNAL said creditor banks offered Cuba an additional loan of $50 million.

DELEGATION VISITS NICARAGUA'S REGION 4

PA221705 Havana International Service in Spanish 1800 GMT 21 Jul 86

[Text] The Cuban delegation to the festivities of the 7th anniversary of the victory of the Sandinist revolution has visited areas in Nicaragua's 4th Region, which comprises territories in Granada, Masaya, Carazo, and Rivas Departments.

The delegation, led by Jorge Risquet, Communist Party of Cuba Politburo member, learned about the social and productive transformations currently underway in the city of Granada and in the zonal committee of the Carazo area. The visitors met with members of the FSLN regional committee, who told them about the preparations for defense carried out in the area.

PEACE MOVEMENT GREETS SANDINIST ANNIVERSARY

PA230420 Havana International Service in Spanish 1800 GMT 20 Jul 86

[Text] A statement on the occasion of the 7th anniversary of the triumph of the Sandinist revolution was released in Havana by the Cuban Movement for Peace and Sovereignty of the Peoples. The message states that the Nicaraguan people are celebrating their national day with optimism over the battle being waged by the EPS against the allies of U.S. imperialism. The statement adds that the Nicaraguan Government has expressed its willingness to find, through negotiations, peaceful solutions to its differences with Washington. Nicaragua has expressed this willingness at the international level.

BRAVO DISCUSSES RELATIONS WITH MEXICAN SENATOR

FL220152 Havana Television Service in Spanish 0000 GMT 22 Jul 86

[Excerpt] Flavio Bravo Pardo, president of the National Assembly of the People's Government [ANPP], has received at ANPP headquarters Mexican Senator Socorro Diaz Palacios, who is in Cuba invited by the government to participate in the 26 July festivities. The meeting was characterized by the diversity of subjects of mutual interest existing in Cuban-Mexican relations. [passage omitted]

CONDITIONS FOR JOINING ALADI CALLED 'RIPE'

PA230200 Mexico City Red Nacional 13 Imevision Television in Spanish 1955 GMT 22 Jul 86

[Text] Cuba has announced that conditions for joining ALADI are ripe. Eduardo Delgado, director of the Cuban international organization [as heard], feels that the time for his country to join the association is at hand. Cuba has been absent from this body since the beginning of the economic blockade 25 years ago. Delgado said Cuba, as an observer nation, feels ALADI will surely find enough political means to become even more integrated.

BERMUDA

TEAM TO PARTICIPATE IN COMMONWEALTH GAMES

FL230045 Bridgetown CANA in English 2343 GMT 22 Jul 86

[Text] Hamilton, Bermuda, July 22, CANA - REUTER -- The Olympic Association in Bermuda, Britain's oldest colony, announced after an emergency meeting today that it would keep the island's eight-man team in the Commonwealth Games.

The meeting was held after opposition politicians and anti-apartheid activists in the country, whose populatin is 60 per cent black, urged Bermuda to follow the lead of more than two dozen countries who are boycotting the games over Britain's refusal to impose sanctions on South Africa.

Sports Minister Maxwell Burgess said the government's view was that a boycott would do little to help change Britain's position on economic sanctions against South Africa, but he said the government had taken no part in today's meeting.

HAITI

FORMER DUVALIER OFFICIAL CONVICTED 22 JULY

FL221922 Bridgetown Cana in English 1814 GMT 22 Jul 86

[Text] Port-au-Prince, July 22, CANA-REUTER -- A Haitian jury wound up a tumultuous 24-hour trial today by finding another official from the Duvalier era, Edouard Paul, guilty of complicity in the presumed murder of a subordinate.

He was sentenced to three years in jail.

The jury said after 30 minutes of deliberation that there were extenuating circumstances in the case and that Paul was not guilty of premeditation in the 1969 death of literacy worker Pierre Denis.

Paul's trial came less than a week after the raucous 18-hour trial of Duvalier security chief Luc Desyr, sentenced to death for torture and murder.

The Duvalier family's 29-year iron rule over Haiti ended in February when President for Life Jean-Claude Duvalier fled abroad.

Judge Raoul Lyncee presided over the trial of Paul, 68, the former director of the National Office for Literacy and Community Action (ONAAC).

Lyncee ruled scrupulously and often scolded hundreds of youthful male spectators who cheered and called the defendant criminal and assassin.

At one point the judge, who stutters, called the crowd a band of cannibals and threatened to stop the trial until order was restored.

Soon troops arrived, some with masks and teargas, and ushered those blocking the aisles into empty seats.

The case involved determining whether Paul had plotted with Francois Duvalier, the father of Jean-Claude, when Paul ordered Denis, director of ONAAC in the Cayes region, to the Capital.

Denis disappeared in Port-au-Prince, and is presumed to have been murdered by Francois Duvalier after being jailed and tortured in the capital.

Former ONAAC employee Abellard Pierre-Louis testified that Paul convinced Francois Duvalier ONAAC was infiltrated by communists. Francois Duvalier died in 1971.

Yves Volel, lawyer for the Denis family, contended Paul was a cold Duvalierist doctrinaire obsessed by imaginary communist plotters.

Several prominent Haitians testified for Paul, including a publisher and state university rector.

They praised Paul's character, but none knew anything about Denis's disappearance.

Paul defended himself, saying he had merely followed an order when he ordered Denis to Port-au-Prince.

Paul added that Duvalierists murdered his own brother but he did not protest.

I am a man of research, of the pen, a writer, he declared. In my whole life I never arrested, denounced, killed.

ST VINCENT

ST VINCENT, SPAIN ESTABLISH DIPLOMATIC RELATIONS

FL222157 Bridgetown CANA in English 2124 GMT 22 Jul 86

[Text] Kingstown, St Vincent, July 22, CANA -- St Vincent and the Grenadines and Spain have established diplomatic relations at ambassadorial level, the Government Information Service (GIS) announced.

The GIS said an agreement establishing relations was signed in New York by Spain's permanent representative to the United Nations, Fernando Moran and Jonathan Peters, St Vincent and the Grenadines newly appointed ambassador and permanent representative to the United Nations.

SHOTS FIRED AT ALBINA ARMY POST; THREE WOUNDED

FL222324 Bridgetown CANA in English 2239 GMT 22 Jul 86

[Text] Paramaribo, Suriname, July 22, CANA-REUTER -- Three people were wounded today in an attack on an Army outpost at Albina on Suriname's border with French Guiana, government officials said.

The attack occurred early this morning when unidentified people fired on the military post at Albina, 125 km (70 miles) east of Paramaribo on the Marowijne River which separates Suriname from French Guiana.

Troops returned fire and the attackers fled, leaving behind vehicles and guns, according to the military government's National Information Service (NVD).

There was no indication of whether the wounded were civilians or military.

The Army has the situation under control, the NVD statement said. It called on local residents to cooperate.

The Marowijne district has been the scene of bandit activity led by Ronny Brunswijk, a former military commander now wanted by the Suriname authorities for bank robbery and escaping from prison in January 1985.

However, the Surinamese authorities did not immediately connect Brunswijk with today's incident.

INTER-AMERICAN AFFAIRS

ADDITIONAL RESOLUTIONS FROM L.A. PARLIAMENT

PY220321 Madrid EFE in Spanish 1814 GMT 21 Jul 86

[Text] Santa Cruz de la Sierra (Bolivia), 21 Jul (EFE) -- The Latin American Parliament today approved a resolution calling on all Latin American democratic countries to hold meetings and to fight in a global manner against drug trafficking. The delegates also approved resolutions on the informal debt; on foreign debt; on political, social, economic, and cultural integration of Latin and Central American countries; and on democracy in Latin America. Regarding the foreign debt, the delegates ratified the Montevideo Statement, which urges Latin American governments to negotiate the reduction of the debt "so as to represent a reasonable and agreed upon percentage of each country's gross domestic product."

Regarding the Central American conflict, they condemned "any form of intervention, regardless of its origin, that may prevent a just, peaceful, and negotiated solution as proposed by the Contadora Group and its Support Group. Such a solution is the right of the Central Americans."

As an immediate plan of action for integration, the assembly's Permanent Commission for Economic Integration has proposed the development of the Latin American identity through the formulation and edition of a history textbook. According to the delegates, this book should stress ethnic, sociological, and cultural similarities, as well as the common desire for liberty, equality, justice, democracy, and pluralism, "which are values that preserve and protect the principles of nonintervention and free self-determination of nations."

The conference began on 17 July in Santa Cruz de la Sierra with the participation of four delegates from Argentina, three from the Dutch Antilles, one from Brazil, three from Costa Rica, five from Mexico, one from the Dominican Republic, three from Peru, two from Cuba, two from Venezuela, and eight from Bolivia.

DOMINICAN REPUBLIC

BALAGUER POSTPONES U.S. VISIT DUE TO ILLNESS

PA221941 Paris AFP in Spanish 1856 GMT 22 Jul 86

[Text] Santo Domingo, 22 Jul (AFP) -- Dominican President-elect Joaquin Balaguer postponed a visit to the United States he was to have begun today due to a swelling in his left leg, sources close to the 78-year-old Balaguer reported.

The leg became swollen in the same area in which he underwent an operation for varicose veins in 1981. As the inflammation is subsiding, his departure has been rescheduled for Saturday, 26 July, the sources pointed out, according to Santo Domingo's afternoon paper ULTIMA HORA.

During his 1-week stay in the United States, Balaguer was to meet with President Reagan at the White House, according to the Social Christian Reformist Party. The party helped elect Balaguer president for the fifth time in the 16 May general elections.